

The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo, and
PETER HACKINEN, *on their own behalf and
on behalf of other similarly situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC, *et al.*,

Defendants.

Case No. 2:24-cv-00444-MJP

**PLAINTIFFS' CONTINUED
APPENDIX OF EXHIBITS**

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Requesting a Payoff Quote

Who Can Request

Only Mr. Cooper customers and authorized third parties may request a payoff quote.

- You can **authorize a third party** to request a payoff quote on your behalf online.

How to Request Online

Mr. Cooper Customers:

You can request a payoff quote through **your online account**.

- Depending on your loan, you may be eligible for an instant payoff quote.
- Otherwise, we will send your payoff quote by the delivery method you select within the timeframe provided.

Third Parties Acting on Behalf of a Mr. Cooper Customer:

If the customer has already **authorized you** (either online or by completing our **Third Party Authorization Form**), you can **request a third-party quote**.

How to Request by Phone or Mail

- Phone: Call us at 833-685-2567.
- Mail: Send us a short letter stating that you'd like a payoff quote.

Be sure to include:

- your loan number;
- the address of the property; and
- all of your most up-to-date contact information.

Send it to:

Mr. Cooper

Attn: Payoff Department

800 State Highway 121 Bypass

Lewisville, TX 75067

Fees

A preparation fee of up to \$25 may apply to each payoff quote statement we generate.

- Additional expedited delivery fees of up to \$25 may apply to each payoff quote sent via web.

Feel free to **contact us** for clarification of applicable fees before requesting your quote.

The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON - SEATTLE

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo,
and PETER HACKINEN, *on their own
behalf and on behalf of other similarly
situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC

And

FEDERAL HOME LOAN MORTGAGE
CORPORATION, *on its own behalf and on
behalf of similarly situated persons*

Defendants.

Case No. 2:24-cv-00444-BJR

**DECLARATION OF CHRISTINA L.
HENRY IN SUPPORT OF
CLASS CERTIFICATION**

CHRISTINA HENRY, being first duly sworn on oath, declares and states as follows:

DECLARATION OF CHRISTINA L. HENRY IN
SUPPORT OF CLASS CERTIFICATION - 1

SEATTLE CONSUMER JUSTICE P.S.
10728 16th Avenue SW
Seattle, WA 98146
206.330.0595

1
2 1. I am one of the attorneys for Ricardo Salom, Catherine Palazzo as assignee for
3 Ruben Palazzo, and Peter Hackinen, *on their own behalf and on behalf of other similarly*
4 *situated persons* (“Plaintiffs”), and I have personal knowledge of the facts set forth herein.

5 2. I submit this Declaration in support of the Plaintiffs’ Motion to Certify a Class
6 against Nationstar pursuant to FED. R. CIV. P. 23.

7 3. I am an attorney first licensed to practice law in 2001. I am currently admitted to
8 practice before all courts in the State of Washington.

9 4. I am currently in private practice in Seattle, WA with Seattle Consumer Justice,
10 P.S., fka Henry & DeGraaff, P.S.

11 5. I earned a Bachelor of Arts degree in Asian Studies at Dartmouth College in
12 Hanover, New Hampshire, and my juris doctorate from Boston College Law School in the
13 year 2000.

14 6. In the two years after graduation, I clerked for the Honorable Whitney Rimel for
15 the U.S. Bankruptcy Court for the Eastern District of California, passed the Washington State
16 Bar Examination in 2001, and began practicing as an attorney in Washington State in the fall
17 of 2002 after finishing the clerkship.

18 7. My practice includes representing consumer clients in litigation matters in state
19 and federal courts and bankruptcy debtors in Washington and elsewhere.

20 8. My practice focuses on representing consumers in both bankruptcy and
21 consumer protection contexts. Though sometimes these areas of law overlap, for purposes of
22 this Declaration, the consumer protection area of my practice involves claims related to
23 mortgage loan servicing, Washington Consumer Protection Act and Fair Debt Collection
24
25
26

1 Practices Act matters, and, on occasion, discrimination cases brought under the Americans
2 with Disabilities Act.

3 9. I have been the lead or co-counsel in approximately 48 federal district court
4 cases, 10 court of appeals cases of significance, 1 bankruptcy appellate panel case, over 600
5 consumer bankruptcy cases, and approximately 20 state court cases. Some cases of note that I
6 successfully litigated to favorable conclusions include:

7
8 *Hoover v. Quality Loan Svcs Corp. of WA*, 646 B.R. 488, (Bankr W.D. Wash. 2021),
9 *aff'd*, 645 B.R. 656 (W.D. Wash. 2022), *aff'd in part, vacated in part, remanded*,
10 No. 22-35814, 2023 WL 5814810 (9th Cir. Sept. 8, 2023), and *aff'd in part, appeal*
11 *dismissed in part*, No. C21-5154RSL, 2023 WL 7920436 (W.D. Wash. Nov. 16,
12 2023). A foreclosure of a debtor's residence after the filing of her bankruptcy led to
13 a ruling by the bankruptcy court that a willful violation of the stay occurred, and that
the property was part of the bankruptcy estate. The ruling on the nature of the
bankruptcy estate's interest in the property was affirmed on appeal. The ruling
regarding the willful stay violation was not addressed as unripe for appeal and not a
final order.

14 *Flores v. Wells Fargo Bank, N.A.*, 623 F. Supp. 3d 1142 (W.D. Wash. 2022).
15 Litigation regarding the proper record and reporting of payments to a mortgage loan
16 while a debtor was in a Chapter 13 bankruptcy.

17 *Grande v. U.S. Bank, N.A.*, 2020 WL 832307, No. C19-333-MJP (W.D. Wash.
18 February 20, 2020). An order granting a motion to compel against a mortgage
19 servicer and beneficiary in a case where over the existence of a contract for a loan
20 modification, for unfair and deceptive misrepresentations and for credit
discrimination.

21 *National Collegiate Student Loan Trust 2007-2 v. Osure Brown and Tommy Brown*,
22 Case No. 19-2-09402-8-KNT, King County Superior Court for the State of
23 Washington, December 27, 2019. A case regarding student loans in state court that
was dismissed on summary judgment with prejudice for lack of standing.

24 *In re Gray*, 567 B.R. 841, 843 (Bankr. W.D. Wash. 2017), litigated a case over
25 violations of the automatic stay. Their car lender sued them in state court for failing
26 to keep up payments on a stipulated repayment plan to avoid garnishment, obtained
a bench warrant and arrested the borrowers, who were in bankruptcy.

1 *Goudelock v. Sixty-01 Association of Apartment Owners*, 895 F.3d 633 (9th Cir.
2 2018). A case to the Ninth Circuit regarding the dischargeability of homeowner's
3 dues in bankruptcy. Writ of Certiorari by the U.S. Supreme Court Denied.

4 *In re Snowden*, 769 F.3d 651 (9th Cir. 2014). Ninth Circuit affirmed \$12,000
5 emotional distress and \$12,000 punitive damages award for a payday loan of \$550,
6 presented in violation of the bankruptcy automatic stay.

7 10. After graduating from law school, I served a clerkship from 2000 to 2002 and I
8 have been in active private practice since June 21, 2001.

9 11. My co-counsel and I have and will devote the resources necessary to pursue the
10 claims in this action.

11 12. My co-counsel in this case is Phillip Robinson, an experienced trial lawyer
12 practicing in Maryland since 2000 and who has been actively involved in the litigation of
13 claims relating to representing consumers in financial transactions, concentrating in debt
14 collection and mortgage servicing practices.

15 13. I have also prosecuted court trials as well as numerous appeals to the Ninth
16 Circuit Court of Appeals, a few to the Washington State Court of Appeals, and one to the
17 Washington State Supreme Court.

18 14. I have not previously been appointed as class counsel but believe my education
19 and litigation experience qualifies me to be appointed as co-class counsel in this action.

20 15. Neither I, nor my co-counsel, have any interests that would adversely affect
21 any of us from acting as class counsel in this action.

1 16. Attached as Exhibit 13 to Plaintiffs' Continued Appendix of Exhibits is a publicly
2 available document .pdf printing from Nationstar's own website at: [Requesting a Payoff](#)
3 [Quote \(mrcooper.com\)](#),

4 17. Attached as Exhibit 17 to Plaintiffs' Continued Appendix of Exhibits is a portion
5 of a transcript of Nationstar's Corporate Designee taken in the matter of May v. Nationstar
6 in the United States District Court for the Eastern District of Missouri dated May 7, 2015.

7 18. Based on my more than twenty years experience in bankruptcy matters, it is
8 possible to identify from a simple search of PACER individuals who have filed for
9 Chapter 7 or 13 bankruptcy. The PACER system tracks filing and discharge dates that can
10 be applied to Nationstar's records and exclude persons who are not eligible to join the
11 putative Plaintiffs' Class and subclasses.
12

1 I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE
2 AND CORRECT UNDER THE LAWS OF THE UNITED STATES OF AMERICA AN THE
3 STATE OF WASHINGTON.

4 Executed on July 17, 2022 at Bothell, Washington.

5
6 /s/ Christina Henry
7 Christina L Henry, WSBA# 31273
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Brandveen, Donna

March 9, 2012

Page 1

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division Baltimore)

BRIAN SCHNECK, RONA SCHNECK,
Plaintiffs,

vs.

SUNTRUST MORTGAGE, INC.,
Defendant.

COPY

:CASE NUMBER
:11-CV-01878-CCB

March 9, 2012

PURSUANT TO NOTICE, the following deposition of DONNA BRANDVEEN, was taken before me, Janie Arriaga, Notary Public, in and for the Commonwealth of Virginia, at 8200 Jones Branch Drive, McLean, Virginia 22102, commencing at approximately 2:10 p.m., when were present on behalf of the respective parties:

Brandveen, Donna**March 9, 2012****2 (Pages 2 to 5)**

Page 2		Page 4	
1	****	1	Whereupon,
2	Appearances,	2	DONNA BRANDVEEN,
3	PHILLIP ROBINSON, ESQUIRE	3	was called as a witness by counsel for the Plaintiffs,
4	Civil Justice Inc.	4	Brian and Rona Schneck, and after having first been duly
5	520 West Fayette Street, Suite 410	5	sworn by the Notary Reporter, was examined and
6	Baltimore, Maryland 21202	6	testified, as follows:
7	On Behalf of the Plaintiff	7	EXAMINATION
8		8	BY MR. ROBINSON:
9	TODD M. REINECKER, ESQUIRE	9	Q Can you please state your name and business
10	Miles and Stockbridge P.C.	10	address for the record, please?
11	10 Light Street	11	A Sure. My name is Donna Brandveen, B-r-a-n-d,
12	Baltimore, Maryland 21202-1487	12	'v' like Vickie, e-e-n.
13	On Behalf of the Defendant	13	Q And your business address?
14		14	A 8000 Jones Branch Drive, McLean, Virginia.
15	TIFFANY JOSEPH, ESQUIRE	15	Q Ms. Brandveen, my name is Phil Robinson. I am
16	Federal Home Loan Mortgage Corporation	16	counsel for Rona and Brian Schneck in the matter of
17	8200 Jones Branch Drive	17	Schneck vs. SunTrust Mortgage, Inc. pending in the
18	McLean, Virginia 22102	18	United States District Court for Maryland.
19	On Behalf of the Witness	19	We are here today for a corporate designee
20		20	deposition of the witness -- well, it's Freddie Mac.
21		21	Are you here today to testify on behalf of
Page 3		Page 5	
1	INDEX	1	Freddie Mac, which is also known as the Federal Home
2	WITNESS PAGE	2	Loan Mortgage Corporation?
3	DONNA BRANDVEEN	3	A Yes.
4	Examination by Mr. Robinson 4	4	Q And instead of saying Federal Home Loan
5	Examination by Mr. Reinecker 111	5	Mortgage Corporation today, I'm just going to say,
6		6	Freddie Mac. And you understand that to mean the same,
7		7	is that right?
8	EXHIBITS	8	A Yes.
9	Number 18 Subpoena 9	9	Q Have you had your deposition taken before?
10	Number 19 Corporate documents 18	10	A Yes.
11	Number 20 December 6 letter from SunTrust 102	11	Q How many times --
12	Number 21 October 1 letter from SunTrust 103	12	A Five.
13		13	Q -- to the best of your ability?
14	(NOT ATTACHED)	14	A Five.
15		15	Q Five times. Are you employed by Freddie Mac?
16		16	A Yes, I am.
17		17	Q And were those depositions on behalf of
18		18	Freddie Mac?
19		19	A Yes, they were.
20		20	Q What is your job title here at Freddie Mac?
21		21	A Director of loss mitigation.

Brandveen, Donna**March 9, 2012**

7 (Pages 22 to 25)

Page 22	Page 24
1 Q By "these two documents," do you mean the	1 Q Okay. By "loan," you mean mortgage loan; is
2 ones, just for the record, tabbed at tab 10 and 11?	2 that right?
3 A Yes.	3 A Correct.
4 Q Which are FRE23 and FRE25?	4 Q Freddie Mac doesn't buy any other kind of
5 A Yes.	5 loan; does it?
6 Q But you believe you reviewed all of the other	6 A No.
7 records that are here?	7 Q Just residential loans; right?
8 A Yes.	8 A Residential and multi-family.
9 Q In all of the other records that you reviewed,	9 Q Multi-family loans, too. But in this case,
10 did you see any responses from Freddie Mac to the	10 it's a residential mortgage loan?
11 inquiries made by Mr. or Mrs. Schneck on October 13th	11 A That's correct.
12 2010 or October 29, 2010?	12 Q And do you know how Freddie Mac acquired the
13 A No.	13 loan?
14 Q If you wanted to find out if there was a	14 A Freddie Mac purchased the loan interest from a
15 written response by Freddie Mac to Mr. and Mrs. Schneck	15 mortgage company.
16 to either of those inquiries, where would you go to find	16 Q Okay. Is it your understanding that that
17 out if there was a written response?	17 mortgage company is SunTrust Mortgage, Inc.?
18 A I would probably go to Pamela Barrow, the	18 A Yes.
19 director of that group.	19 Q What is your understanding of the relationship
20 Q Earlier you testified generically about three	20 of Mr. and Mrs. Schneck's loan now owned by Freddie Mac
21 different databases that Freddie Mac has. Do you recall	21 and SunTrust Mortgage, Inc.?
Page 23	Page 25
1 that?	1 A Can you repeat that?
2 A Yes.	2 Q What is your understanding of the relationship
3 Q Would Freddie Mac's responses, if they	3 of - I'm going to say SunTrust today, I mean, SunTrust
4 existed, be in any of those three databases?	4 Mortgage, Inc., not to be confusing, just to narrow it
5 A No.	5 down.
6 Q Is there any other database that you didn't	6 What is your understanding of the relationship
7 testify about that there might be a record of any	7 between SunTrust and Mr. and Mrs. Schneck?
8 response from Freddie Mac to Mr. or Mrs. Schneck?	8 A SunTrust is the mortgage company that owns the
9 A No.	9 servicing rights.
10 Q Is there any other database that you know of	10 Q Servicing rights to Mr. and Mrs. Schneck's
11 managed by the customer service team that might track	11 loan?
12 that information?	12 A Yes.
13 A I don't know.	13 Q And what does that mean or what is your
14 Q In your preparation for the deposition today,	14 understanding of what that means, that they own the
15 did you review any other documents or communications	15 servicing rights?
16 whatsoever between Mr. and Mrs. Schneck and Freddie Mac?	16 A That means the mortgage company manages their
17 A I did not see any communications.	17 residential mortgage on a monthly basis. They collect
18 Q What is your understanding of the relationship	18 their monthly mortgage payments and they submit their
19 between Mr. and Mrs. Schneck with Freddie Mac?	19 required portions to the investor, which would be
20 A They are a borrower on a loan where Freddie	20 Freddie Mac.
21 Mac owns.	21 Q Okay. And I should have said this at the

Brandveen, Donna**March 9, 2012****9 (Pages 30 to 33)**

Page 30	Page 32
<p>1 here; is that correct?</p> <p>2 A That is correct.</p> <p>3 Q And those guidelines change over time; is that</p> <p>4 right?</p> <p>5 A Yes.</p> <p>6 Q Especially in the last five years,</p> <p>7 unfortunately for all of us?</p> <p>8 A Yes.</p> <p>9 Q Does Freddie Mac also expect that SunTrust</p> <p>10 will comply with all federal and state laws related to</p> <p>11 mortgage servicing?</p> <p>12 A That is correct.</p> <p>13 Q What is Freddie Mac's policies and procedures</p> <p>14 when it receives a complaint that a servicer has not</p> <p>15 complied with federal and state laws?</p> <p>16 MS. JOSEPH: I'm going to object. I think</p> <p>17 this is getting outside the scope of the subpoena as we</p> <p>18 discussed and agreed.</p> <p>19 MR. REINECKER: I'm going to object as well</p> <p>20 for the same reasons. I'm also going to object because</p> <p>21 I think the question, at least in my view, assumes facts</p>	<p>1 A Yes.</p> <p>2 Q Does Freddie Mac approve or deny borrowers for</p> <p>3 loss mitigation?</p> <p>4 A Yes.</p> <p>5 Q Does Freddie Mac delegate responsibility to</p> <p>6 mortgage servicers, like SunTrust, to approve or deny</p> <p>7 borrowers for loss mitigation?</p> <p>8 A Yes.</p> <p>9 Q In this instance, were there any other records</p> <p>10 that you reviewed in preparation for your deposition</p> <p>11 today that Freddie Mac had denied Mr. and Mrs. Schneck</p> <p>12 for loss mitigation?</p> <p>13 A I did not see that.</p> <p>14 Q If you wanted to know if Freddie Mac had</p> <p>15 actually denied Mr. and Mrs. Schneck for loss</p> <p>16 mitigation, where would you go to find that information?</p> <p>17 A The loss mitigation work station.</p> <p>18 Q Those documents, I believe, were produced in</p> <p>19 Exhibit 19; is that correct?</p> <p>20 A Correct.</p> <p>21 Q Do you know what tab those are at?</p>
Page 31	Page 33
<p>1 not in evidence.</p> <p>2 MR. ROBINSON: I'll back up and narrow it to</p> <p>3 the Schnecks.</p> <p>4 BY MR. ROBINSON:</p> <p>5 Q What was your understanding as to Mr. and</p> <p>6 Mrs. Schneck's inquiry at tab 10 and 11, FRE23 and</p> <p>7 FRE25?</p> <p>8 A I understood they inquired or they called</p> <p>9 Freddie Mac to state that they had been denied for HAMP</p> <p>10 and they thought that they should have been included in</p> <p>11 the program and wanted to file a complaint.</p> <p>12 Q And nothing else; right?</p> <p>13 A They're saying that -- the consumer, which is</p> <p>14 the homeowner, stated that SunTrust told her Freddie Mac</p> <p>15 denied her, not SunTrust.</p> <p>16 MR. REINECKER: For the record, which document</p> <p>17 are we looking at? Is it tab --</p> <p>18 MS. JOSEPH: Tab 10.</p> <p>19 THE WITNESS: Tab 10.</p> <p>20 BY MR. ROBINSON:</p> <p>21 Q FRE23?</p>	<p>1 A That would be tab 4.</p> <p>2 Q Is there any information on what is at tab 4,</p> <p>3 FRE7, to indicate that Freddie Mac had actually denied</p> <p>4 Mr. and Mrs. Schneck for loss mitigation?</p> <p>5 A There's nothing here that indicated that we</p> <p>6 reviewed or denied it. And I'm focusing in on the</p> <p>7 section on the bottom, which is workout history.</p> <p>8 Q And that information is all blank?</p> <p>9 A That's correct.</p> <p>10 Q That's where you would see if there had been a</p> <p>11 Freddie Mac denial?</p> <p>12 A That's correct.</p> <p>13 Q I don't want to put words in your mouth, but I</p> <p>14 understand the process a little bit. So if it got</p> <p>15 escalated, someone wanted to complain that they</p> <p>16 shouldn't have been denied by their servicer and they</p> <p>17 appealed to Freddie Mac directly, and Freddie Mac</p> <p>18 denied, is that where it would show up? Is that how it</p> <p>19 happens in most instances?</p> <p>20 A Yes.</p> <p>21 Q Because primarily Freddie Mac expects SunTrust</p>

Brandveen, Donna**March 9, 2012****12 (Pages 42 to 45)**

Page 42	Page 44
<p>1 just don't charge a fee.</p> <p>2 Q So do you see any payments here where Mr. and</p> <p>3 Mrs. Schneck were charged a fee because of a payment</p> <p>4 made after the grace period?</p> <p>5 A Our systems don't capture that data.</p> <p>6 Q And then turn back to FRE20, cut off on the</p> <p>7 right-hand margin in the middle of the page for two</p> <p>8 entries, for October 15th, 2011 and September 15th,</p> <p>9 2011, there's some reference. I'm not really sure what</p> <p>10 it is.</p> <p>11 A Yes.</p> <p>12 Q Do you know what that is?</p> <p>13 A Yes.</p> <p>14 Q What are those?</p> <p>15 A They're exception codes that were reported to</p> <p>16 us by SunTrust. There was an inactivation of the loan</p> <p>17 because it appears to be delinquent, and then</p> <p>18 reinstate -- it appears to be delinquent as of the --</p> <p>19 starting with the May 15th accounting cycle. And it was</p> <p>20 reinstated. They reported the reinstatement in</p> <p>21 February, which meant they brought the account more</p>	<p>1 A I'm not understanding what you're meaning.</p> <p>2 BY MR. ROBINSON:</p> <p>3 Q SunTrust receives a payment on behalf of</p> <p>4 Mr. and Mrs. Schneck. Does Freddie Mac expect SunTrust</p> <p>5 to post it to the account when it receives it?</p> <p>6 MS. JOSEPH: Objection; asked and answered.</p> <p>7 A When it's -- within a reasonable amount of</p> <p>8 time of receiving it, so yes.</p> <p>9 BY MR. ROBINSON:</p> <p>10 Q What is a reasonable amount of time that</p> <p>11 Freddie Mac expects SunTrust to post it to the account</p> <p>12 from receipt?</p> <p>13 A Reasonable. Within 24 hours of receipt.</p> <p>14 Q Would it be unreasonable to post 15 days late</p> <p>15 after receipt?</p> <p>16 MR. REINECKER: Objection; foundation.</p> <p>17 A I would say yes.</p> <p>18 BY MR. ROBINSON:</p> <p>19 Q You identified in your testimony a default</p> <p>20 which occurred, I believe your testimony was, as of May</p> <p>21 15th. And it appears to you -- I believe your testimony</p>
Page 43	Page 45
<p>1 current, but it still looks like they were behind.</p> <p>2 Q You said February. Did you mean September?</p> <p>3 A I'm sorry, September. Yes, 9, 9/2011, the</p> <p>4 account was -- an inactivation code was reported.</p> <p>5 Q Does Freddie Mac -- on Mr. and Mrs. Schneck's</p> <p>6 loan only -- a narrow question, I'm not asking about</p> <p>7 other borrowers. Does Freddie Mac expect SunTrust to</p> <p>8 post the account when it receives the payment?</p> <p>9 MR. REINECKER: Objection.</p> <p>10 A They're expected to post the payment to their</p> <p>11 account.</p> <p>12 BY MR. ROBINSON:</p> <p>13 Q Are they expected to hold the payment for 15</p> <p>14 days?</p> <p>15 MR. REINECKER: Objection.</p> <p>16 A I don't understand the question.</p> <p>17 BY MR. ROBINSON:</p> <p>18 Q Does Freddie Mac expect SunTrust to hold the</p> <p>19 payment for 15 days before posting it to the account?</p> <p>20 MR. REINECKER: Objection to the foundation of</p> <p>21 the question.</p>	<p>1 was that the loan was then reinstated sometime in the</p> <p>2 fall; maybe October?</p> <p>3 A That's correct.</p> <p>4 Q Are there any other times in this loan history</p> <p>5 that you see Mr. and Mrs. Schneck were in default on</p> <p>6 their loan?</p> <p>7 A It appears one other time.</p> <p>8 Q Where are you looking?</p> <p>9 A I'm on page 21. I'm looking at November 2010.</p> <p>10 It looks like there's a payment that was missing there,</p> <p>11 so they --</p> <p>12 Q Any others?</p> <p>13 A No.</p> <p>14 Q Okay. But it would be your understanding,</p> <p>15 from looking at this report, that they were in default</p> <p>16 in November of 2010?</p> <p>17 A It would be delinquent. I wouldn't say</p> <p>18 default.</p> <p>19 Q What is your understanding of the difference</p> <p>20 between delinquent and default on Mr. and Mrs. Schneck's</p> <p>21 loan?</p>

Brandveen, Donna

March 9, 2012

16 (Pages 58 to 61)

Page 58	Page 60
<p>1 specific guidelines on that issue?</p> <p>2 A I can't recall the number of days, if any,</p> <p>3 other than a timely response.</p> <p>4 Q Okay. Is it Freddie Mac's position that a</p> <p>5 timely response would come within a month before October</p> <p>6 2012?</p> <p>7 MR. REINECKER: Objection; form and</p> <p>8 foundation. And I believe it mischaracterizes the prior</p> <p>9 testimony.</p> <p>10 A Can you restate your question?</p> <p>11 BY MR. ROBINSON:</p> <p>12 Q Well, I think your testimony is, if I</p> <p>13 understand it correctly, that Freddie Mac expected,</p> <p>14 before this new regulation that was effective October</p> <p>15 2012, the expectation that Freddie Mac had for its</p> <p>16 servicers, including specifically in this instance</p> <p>17 SunTrust with Mr. and Mrs. Schneck, that they would</p> <p>18 receive a timely response?</p> <p>19 A That's correct.</p> <p>20 Q So I'm trying to get at, I suppose, at what</p> <p>21 point in time does it become untimely?</p>	<p>1 MR. REINECKER: I'm going to object for the</p> <p>2 same reason. I think the question is actually multiple</p> <p>3 questions.</p> <p>4 A You said July of 2010?</p> <p>5 BY MR. ROBINSON:</p> <p>6 Q Correct.</p> <p>7 A I can't say for sure.</p> <p>8 Q Let's back up to sort of help out and make</p> <p>9 sure the record is clear.</p> <p>10 Let's ask for Mr. and Mrs. Schneck's loan</p> <p>11 today, so we'll start with today as the benchmark.</p> <p>12 A Sure.</p> <p>13 Q If SunTrust denied Mr. and Mrs. Schneck a loan</p> <p>14 modification today, would Freddie Mac expect SunTrust to</p> <p>15 provide Mr. and Mrs. Schneck a reason for the denial?</p> <p>16 A Yes.</p> <p>17 Q Would that be a written or an oral or both?</p> <p>18 A The requirement is written.</p> <p>19 Q Does the written requirement have to give --</p> <p>20 what kind of information is required in a written</p> <p>21 denial?</p>
Page 59	Page 61
<p>1 A We had not stated those numbers.</p> <p>2 Q Okay. Did Freddie Mac expect that SunTrust,</p> <p>3 before October of 2012, would, in fact, respond to</p> <p>4 Mr. and Mrs. Schneck's request for loss mitigation?</p> <p>5 A We would expect that they would respond,</p> <p>6 that's correct.</p> <p>7 Q And if there was a denial, that Freddie Mac</p> <p>8 have -- I'm going to ask the same time frame, so let me</p> <p>9 ask it generically so that we're on the same page and</p> <p>10 then I'll narrow it for form purposes because it may</p> <p>11 have changed over time.</p> <p>12 A Okay.</p> <p>13 Q Did Freddie Mac have an expectation when a</p> <p>14 borrower was denied loss mitigation how the servicer</p> <p>15 would inform the borrower and what information the</p> <p>16 servicer would give to the borrower? That's the generic</p> <p>17 question. And then I'll relate it to Mr. and Mrs.</p> <p>18 Schneck's loan in July of 2010, did Freddie Mac have</p> <p>19 that expectation?</p> <p>20 MS. JOSEPH: I'm going to object to form. If</p> <p>21 you understand the question, you can answer.</p>	<p>1 A They would need to state why they were denied</p> <p>2 for the loan modification.</p> <p>3 Q Okay. And this is all in the context of</p> <p>4 hypothetically today. I want to back up, same question,</p> <p>5 and we'll go backwards.</p> <p>6 How about in March of 2011? Same answer?</p> <p>7 A Same answer.</p> <p>8 Q January of 2011?</p> <p>9 A Same answer.</p> <p>10 Q October of 2010?</p> <p>11 A I'm not sure.</p> <p>12 Q July of 2010?</p> <p>13 A I'm not sure.</p> <p>14 Q Where would you go to find out the answer</p> <p>15 related specifically to October and July 2010?</p> <p>16 A I would go to the guide chapters that we had</p> <p>17 in place at that time.</p> <p>18 Q Okay. Is it your understanding that if a</p> <p>19 borrower -- and I'll do this an easier way so it's</p> <p>20 easier to follow. Hypothetically, today, if Mr. and</p> <p>21 Mrs. Schneck were current on the mortgage loan -- tab 9,</p>

Brandveen, Donna**March 9, 2012**

17 (Pages 62 to 65)

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<p>1 FRE20, would you agree with me this seems to indicate</p> <p>2 that Mr. and Mrs. Schneck are presently current on the</p> <p>3 mortgage loan?</p> <p>4 MR. REINECKER: Objection.</p> <p>5 A It appears to be current as reported to us by</p> <p>6 SunTrust.</p> <p>7 BY MR. ROBINSON:</p> <p>8 Q As of today, would Mr. and Mrs. Schneck be</p> <p>9 eligible for loss mitigation on their mortgage loan?</p> <p>10 A I can't tell just based on -</p> <p>11 Q Just in terms of the qualification of current.</p> <p>12 Is there any disqualification today to be ineligible for</p> <p>13 loss mitigation because they happen to be current on</p> <p>14 their loan?</p> <p>15 MS. JOSEPH: Objection to the form.</p> <p>16 MR. REINECKER: I'm objecting to form and</p> <p>17 foundation.</p> <p>18 MS. JOSEPH: If you understand the question,</p> <p>19 you can answer.</p> <p>20 A Yes. They would not be denied loss mitigation</p> <p>21 strictly based on their loan status.</p>	<p>1 going beyond the pale, because as the witness testified</p> <p>2 earlier, there are circumstances beyond the default and</p> <p>3 not in default.</p> <p>4 MR. ROBINSON: That is a speaking objection,</p> <p>5 Counsel. And if you'd like to make a speaking</p> <p>6 objection, we can go off the record.</p> <p>7 MR. REINECKER: Why don't we do this. Let's</p> <p>8 stay on the record. With Ms. Joseph's permission, I</p> <p>9 would ask that the witness step out briefly just so I</p> <p>10 can articulate my concerns outside the presence of the</p> <p>11 witness.</p> <p>12 MS. JOSEPH: If that's what you guys want.</p> <p>13 MR. ROBINSON: Well, we're not going to stay</p> <p>14 on the record. If you want to make a speaking</p> <p>15 objection, we can talk off the record and then you can</p> <p>16 make whatever statement you want. I'd like to go</p> <p>17 forward with my questions.</p> <p>18 MR. REINECKER: I understand that.</p> <p>19 MR. ROBINSON: You can make your objection.</p> <p>20 MR. REINECKER: I'd like to make it on the</p> <p>21 record, but I don't want to do it in front of the</p>
Page 63	Page 65
<p>1 BY MR. ROBINSON:</p> <p>2 Q Being current on the loan?</p> <p>3 A Being current on the loan.</p> <p>4 Q So the converse is true, you don't have to be</p> <p>5 in default to be eligible for loss mitigation; is that</p> <p>6 right?</p> <p>7 MR. REINECKER: Objection to the form and the</p> <p>8 foundation to the question.</p> <p>9 A You do not have to be in default or</p> <p>10 delinquent.</p> <p>11 BY MR. ROBINSON:</p> <p>12 Q Let me go backwards again, so same time frame,</p> <p>13 in case things changed, to the best you know.</p> <p>14 In March of 2011, did you have to be</p> <p>15 delinquent to be eligible for loss mitigation?</p> <p>16 A No.</p> <p>17 Q Let me ask that again. Did Mr. and</p> <p>18 Mrs. Schneck have to be in default in March of 2011 to</p> <p>19 be eligible for loss mitigation?</p> <p>20 MR. REINECKER: I'm going to object to the</p> <p>21 form and the foundation. And I think, actually, we're</p>	<p>1 witness. As you pointed out, I don't want to make a</p> <p>2 speaking objection.</p> <p>3 MR. ROBINSON: Sorry. We are going to do</p> <p>4 lawyerly stuff, and I'd ask you to leave the room.</p> <p>5 Don't step too far away.</p> <p>6 (Thereupon, the witness exits the</p> <p>7 deposition room.)</p> <p>8 MR. REINECKER: The objection that I have is</p> <p>9 as I articulated to the form and foundation. I think</p> <p>10 the line of questions are actually unfair because they</p> <p>11 actually suggest circumstances that not only conflict</p> <p>12 with the witness' testimony, but they create a</p> <p>13 hypothetical situation that is both completely divorced</p> <p>14 from Freddie Mac's guidelines for evaluating loss</p> <p>15 mitigation. It is -</p> <p>16 MR. ROBINSON: We haven't even gotten to that</p> <p>17 testimony yet.</p> <p>18 MR. REINECKER: I know.</p> <p>19 MR. ROBINSON: So you're presupposing that it</p> <p>20 is divorced from the guidelines, and that's improper.</p> <p>21 And it's improper for you to say all that in front of</p>

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21 (Pages 78 to 81)

Page 78	Page 80
<p>1 been SunTrust.</p> <p>2 Q Okay. Anything else that you recall?</p> <p>3 A No.</p> <p>4 Q In October of 2010, if a borrower was denied</p> <p>5 for a HAMP modification, was it Freddie Mac's policies</p> <p>6 that they be offered some alternative loss mitigation if</p> <p>7 eligible?</p> <p>8 A If eligible.</p> <p>9 Q Was it Freddie Mac's policies and procedures</p> <p>10 that they be considered for any other loss mitigation if</p> <p>11 eligible?</p> <p>12 A Yes.</p> <p>13 Q Ms. and Mrs. Schneck, if they weren't eligible</p> <p>14 for HAMP in October of 2010, do you know what other</p> <p>15 loss -- depending on the particular circumstances, do</p> <p>16 you know what other loss mitigation options would have</p> <p>17 been available to them on their loan?</p> <p>18 MS. JOSEPH: Objection; calls for speculation.</p> <p>19 You can answer, if you can.</p> <p>20 MR. REINECKER: Same objection.</p> <p>21 A So generically speaking, they would go</p>	<p>1 Q Did Freddie Mac have an expectation that</p> <p>2 SunTrust would consider a borrower not eligible, like</p> <p>3 Mr. and Mrs. Schneck, for HAMP, as SunTrust believed,</p> <p>4 for other options?</p> <p>5 MR. REINECKER: If eligible?</p> <p>6 MR. ROBINSON: If eligible.</p> <p>7 A Yes.</p> <p>8 BY MR. ROBINSON:</p> <p>9 Q For these other options, would Freddie Mac</p> <p>10 have an expectation that if they were not available to</p> <p>11 Mr. and Mrs. Schneck, that SunTrust would provide</p> <p>12 Mr. and Mrs. Schneck with an explanation of why they</p> <p>13 were not?</p> <p>14 MR. REINECKER: Objection.</p> <p>15 A Yes.</p> <p>16 BY MR. ROBINSON:</p> <p>17 Q And would that explanation be in writing or</p> <p>18 orally or both?</p> <p>19 MR. REINECKER: Objection.</p> <p>20 A I'm not sure specifically about the</p> <p>21 guidelines.</p>
Page 79	Page 81
<p>1 through -- if they were denied for HAMP, they would be</p> <p>2 evaluated for either a classic modification or a short</p> <p>3 sale.</p> <p>4 BY MR. ROBINSON:</p> <p>5 Q What is your understanding of a classic</p> <p>6 modification?</p> <p>7 A It was what we called a Freddie Mac in-house</p> <p>8 modification.</p> <p>9 Q Can you describe for me what that modification</p> <p>10 might have provided Mr. and Mrs. Schneck if they</p> <p>11 qualified for it?</p> <p>12 A A modification generically would modify either</p> <p>13 term, rate, and/or balance, unpaid principal balance.</p> <p>14 Q Like a principal reduction?</p> <p>15 A If wouldn't be a principal reduction. It</p> <p>16 would be adding --</p> <p>17 Q A loan --</p> <p>18 A -- increasing the principal balance.</p> <p>19 Q Take the past due amounts and add it to the</p> <p>20 balance?</p> <p>21 A Exactly.</p>	<p>1 BY MR. ROBINSON:</p> <p>2 Q Not sure at the time --</p> <p>3 A At the time, yes.</p> <p>4 Q Okay. I'm sorry to be repetitive, but just to</p> <p>5 make it clear because the guidelines have changed.</p> <p>6 A Yes.</p> <p>7 Q In June or July of 2010?</p> <p>8 A I don't think that we were specific in our</p> <p>9 guidelines about how the communication would be handled.</p> <p>10 Q Just that the communication occurred?</p> <p>11 A Yes.</p> <p>12 Q Same question for October of 2010?</p> <p>13 A Yes.</p> <p>14 MR. REINECKER: Yes, what?</p> <p>15 BY MR. ROBINSON:</p> <p>16 Q You have to be clear.</p> <p>17 A Yes, the expectation is the same in October of</p> <p>18 2010.</p> <p>19 Q That a response be made, but --</p> <p>20 A Yes. We were specific in that it had to be</p> <p>21 oral or it had to be written.</p>

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Page 114	Page 116
<p>1 mortgage to get a response to a HAMP application?</p> <p>2 A That is correct.</p> <p>3 Q Part of the reason for that greater sense of</p> <p>4 urgency is because if there is a default, that triggers</p> <p>5 certain other potential issues, such as foreclosure?</p> <p>6 A That is correct.</p> <p>7 Q Aside from a HAMP application, there are other</p> <p>8 loss mitigation scenarios that may be available to a</p> <p>9 buyer, correct?</p> <p>10 A That's correct.</p> <p>11 Q You mentioned one of those is a classic</p> <p>12 modification; correct?</p> <p>13 A That's correct.</p> <p>14 Q What exactly is a classic modification?</p> <p>15 A Classic modification is a modification that</p> <p>16 we've had in place for almost forever, since the</p> <p>17 mid-'90s that kind of predated HAMP. That, again,</p> <p>18 allowed Freddie Mac to help bring a borrower current by</p> <p>19 the waterfall terms that Freddie Mac policy defined</p> <p>20 instead of what was defined by U.S. Treasury, which is</p> <p>21 the HAMP.</p>	<p>1 curtailment of income, death of one of the borrowers.</p> <p>2 THE WITNESS: Let me get this. I had another</p> <p>3 appointment at 4:30.</p> <p>4 (Brief Interruption.)</p> <p>5 BY MR. ROBINSON:</p> <p>6 Q Are the hardships for the classic set forth in</p> <p>7 a written guideline?</p> <p>8 A Yes, they were set forth in our seller</p> <p>9 servicer guide.</p> <p>10 Q And, in fact, all of the criteria for</p> <p>11 qualifying for a classic loan modification are set forth</p> <p>12 in the seller servicer guide? If you don't know,</p> <p>13 that's --</p> <p>14 A No, it wasn't all in the guide. It was -- we</p> <p>15 provided some basic eligibility and submission</p> <p>16 requirements in the guide because servicers in total did</p> <p>17 not have complete decision-making for classic</p> <p>18 modifications. It was not fully delegated like the HAMP</p> <p>19 program.</p> <p>20 Q In October 2010, the classic modification was</p> <p>21 not fully delegated like the HAMP?</p>
Page 115	Page 117
<p>1 Q Now, is the classic loan modification, is that</p> <p>2 presently referred to as the standard modification?</p> <p>3 A Well, classic was in essence retired, and then</p> <p>4 a loan new modification option is now available, and we</p> <p>5 call that standard.</p> <p>6 Q But in the time period, at least October</p> <p>7 2010, it was a classic loan modification?</p> <p>8 A That's true.</p> <p>9 Q What are the requirements for a borrower to</p> <p>10 qualify for a classic loan modification?</p> <p>11 THE WITNESS: I have another 4:30 appointment.</p> <p>12 A They would have had to have had a hardship</p> <p>13 that was within not -- it was outside of their control,</p> <p>14 and some other kind of characteristics as well.</p> <p>15 BY MR. REINECKER:</p> <p>16 Q Okay. When you say "hardship," are there a</p> <p>17 specific set of hardships set forth for the classic</p> <p>18 modification or were set forth?</p> <p>19 A Yes.</p> <p>20 Q What are those hardships?</p> <p>21 A Unemployment, medical, under employment,</p>	<p>1 A That's correct.</p> <p>2 Q I think given sort of the open issues -- let</p> <p>3 me ask one more question.</p> <p>4 To the extent your testimony today conflicts</p> <p>5 with any of the guidances or guidelines provided by</p> <p>6 counsel in response to the subpoena, you would agree</p> <p>7 that the priority would be given to the written</p> <p>8 guidelines?</p> <p>9 MR. ROBINSON: Objection.</p> <p>10 A I would, yes.</p> <p>11 MR. REINECKER: Ms. Brandveen, I thank you. I</p> <p>12 think that I may be okay for now.</p> <p>13 But Tiffany, you and I will talk. I know you</p> <p>14 have other commitments. You've got other commitments</p> <p>15 I'm happy to accommodate those even though I only got</p> <p>16 about four or five minutes. But to the extent issues</p> <p>17 come up, I would ask that we have a little latitude to</p> <p>18 reconvene. I understand this is not what you do on a</p> <p>19 daily basis. You have other work to do. But I've got</p> <p>20 to leave it open.</p> <p>21 MS. JOSEPH: We will talk about it.</p>

Brandveen, Donna

March 9, 2012

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CERTIFICATE OF NOTARY PUBLIC

I, Janie G. Arriaga, Court Reporter, before whom the foregoing Deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing Deposition was duly sworn by me; that the testimony of said witness was taken by me stenographically, and that I thereafter reduced it to typewriting; that said Deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this Deposition was taken; and further, that I am not a relative or employee of any attorney or counsel employed by the parties thereto; nor financially or otherwise interested in the outcome of the action.


JANIE G. ARRIAGA,

Notary Public

My commission expires: July 31, 2014

Registration Number 7039792

Ludwig, Erich

January 22, 2021

Page 1

IN THE CIRCUIT COURT

FOR ANNE ARUNDEL COUNTY, MARYLAND

- - - - - x

MARCELINE WHITE :

On behalf of herself :

individually and similarly :

situated persons :

Plaintiff :

v. : Case No.

NEWREZ LLC d/b/a SHELLPOINT : C-02-CV-001060

MORTGAGE SERVICING :

& :

FEDERAL NATIONAL MORTGAGE :

ASSOCIATION :

Defendants :

- - - - - x January 22, 2021

Ludwig, Erich

January 22, 2021

Page 2

1 PURSUANT TO NOTICE, the following video
2 deposition of ERICH LUDWIG was taken before me,
3 Kathleen S. Wilson, Notary Public, in and for the
4 State of Maryland, via Zoom, commencing at 10:04
5 a.m. when were present on behalf of the respective
6 parties:

7
8 APPEARANCES

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16
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18
19
20
21

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January 22, 2021

Page 3

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17 On Behalf of the Defendants
18
19
20
21

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2

3 WITNESS

4 ERICH LUDWIG

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6 Examination by Mr. Narod Page 178

7 Examination Resumed by Mr. Robinson Page 194

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9 E-X-H-I-B-I-T-S

10 No. 1 NewRez Corporate Designee Depo Page 9

11 Notice Shellpoint.pdf

12 No. 2 NewRez Responses to Plaintiff's Page 9

13 Interrogatories.pdf

14 No. 3 NewRez Amended Responses to Page 9

15 Plaintiff's Interrogatories.pdf

16 No. 4 Excerpt of Exhibit A to NewRez Page 9

17 Amended Responses to Plaintiff's

18 Interrogatories (Confidential).pdf

19 No. 5 Shellpoint White Responses to Page 9

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21

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(Retained by Counsel)

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1 Whereupon,

2 ERICH LUDWIG,
3 was called as a witness by counsel for the
4 Plaintiff, Marceline White, and after having first
5 been duly sworn by the Notary Reporter, was
6 examined and testified as follows:

7 (Whereupon, Deposition Exhibits Number
8 One through 50 were premarked for identification.)

9 THE REPORTER: Okay. We're on the
10 record. And, Mr. Ludwig, would you raise your
11 right hand, please?

12 (Whereupon, the witness was duly sworn.)

13 THE REPORTER: Would you state your full
14 name and address for the record? And you can give
15 me your work address.

16 THE WITNESS: Erich Stephon Ludwig.

17 THE REPORTER: Could you spell Stephan
18 for me, please?

19 THE WITNESS: S-t-e-p-h-a-n.

20 THE REPORTER: And your address?

21 (Whereupon, there was a discussion off

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1 the record.)

2 THE REPORTER: Okay. Your witness.

3 EXAMINATION

4 BY MR. ROBINSON:

5 Q. All right. Mr. Ludwig, good morning.

6 How are you?

7 A. Very well, thank you.

8 Q. Okay. My name is Phillip Robinson and I
9 represent Marceline White in the matter of White
10 versus NewRez LLC and Federal National Mortgage
11 Association, pending in the Circuit Court for Anne
12 Arundel County. And it's my understanding that
13 you have been designated on behalf of the Federal
14 National Mortgage Association as its corporate
15 designee for today; is that correct?

16 A. That is correct.

17 Q. All right. And I believe you have
18 testified in other matters before; is that
19 correct?

20 A. That is correct.

21 Q. Orally and I think also in written

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1 affidavit form; is that correct?

2 A. That is correct.

3 Q. So you probably have some familiarity
4 with sort of how this works and I don't know if
5 you've done it by Zoom. But first let me sort of
6 go over some ground rules so you and I are on the
7 same page today. Is that okay with you?

8 A. Works for me.

9 Q. So thanks for calling in separately.
10 That's a good thing to do because, as you may
11 know, sometimes on Zoom the video may freeze or we
12 may get kicked off if there is a storm that comes
13 through, wherever one of us is located, because we
14 are all in different locations. So if something
15 strange happens, you can't hear the entire
16 question, and you don't hear it because something
17 checks out or the screen freezes, wave your hands
18 and let us know if, for whatever reason, you get
19 kicked off the internet, or one of us gets kicked
20 off the internet. We should just stop and wait
21 for everybody to log back in. Do you sort of

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1 understand that general problem?

2 A. Yes.

3 Q. All right. And then I'm going to -- as
4 you know, I'm going to ask a series of questions
5 today. Even though the court reporter is
6 recording it via Zoom and she is going to
7 transcribe the words that are spoken, and it's
8 important that you not just answer with a nod of
9 the head, or using expressions like "uh-huh" or
10 "uhm" and also say yes or no, or whatever the
11 appropriate response is. Do you understand that?

12 A. Yes.

13 Q. If I ask a question and you don't
14 understand it, I would ask that you let me know
15 that you don't understand it. Is that fair?

16 A. Yes.

17 Q. If you answer the question, I'll assume
18 you understood it. Is that fair?

19 A. Yes.

20 Q. And the -- sometimes the -- we're going
21 to use the share feature today, so I'm going to

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1 share some of the exhibits up on the screen. So,
2 do you have an adequate setup so that you can see
3 documents shared on the screen?

4 A. I do.

5 Q. Okay. And if there's a problem on that,
6 again, on a technology thing, let me know.

7 Kathy, I do hear clicking now.

8 THE REPORTER: Uh-huh.

9 (Noise interruption.)

10 MR. ROBINSON: Do you want to go off the
11 record?

12 THE REPORTER: Going off the record.

13 (Whereupon, there was a discussion off
14 the record.)

15 THE REPORTER: Okay. We are back on the
16 record.

17 BY MR. ROBINSON:

18 Q. All right. So, Mr. Ludwig, the -- are
19 you currently employed by Fannie Mae?

20 A. Yes.

21 Q. And for the purposes of today's

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1 deposition do you agree with me that Fannie Mae's
2 formal legal name is Federal National Mortgage
3 Association?

4 A. Yes.

5 Q. All right. So I'll just refer to Fannie
6 Mae and it means the same entity today. Do you
7 agree with that?

8 A. Yes.

9 Q. And since you've been designated on
10 behalf of Fannie Mae as its corporate witness
11 today, I may use the pronoun "you" today from time
12 to time. Unless I qualify that pronoun with like
13 "you, personally," I intend that to mean Fannie
14 Mae. If I say "you" without the qualification, I
15 mean Fannie Mae. Do you agree with that?

16 A. Yes.

17 Q. And if you're confused and you're not
18 sure if I mean you, personally, or Fannie Mae,
19 just -- feel free to ask me. Is that okay?

20 A. Yes.

21 Q. All right. And then, the defendant --

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1 Q. Does Fannie Mae expect NewRez to
2 interpret and understand the guidelines it
3 provides it?

4 MR. NAROD: Objection. Scope.

5 THE WITNESS: Servicers are required to
6 adhere to the guidelines outlined in the servicing
7 guide.

8 BY MR. ROBINSON:

9 Q. Okay. And are servicers required to
10 adhere to the mortgage note between the borrower
11 and Fannie Mae?

12 MR. NAROD: Objection. Scope.

13 THE WITNESS: Servicers are required to
14 adhere to the note, yes.

15 BY MR. ROBINSON:

16 Q. And are the servicers -- is NewRez
17 required to adhere to the note between Fannie Mae
18 and Ms. White?

19 A. Yes.

20 Q. And are servicers required to adhere to
21 the terms of a deed of trust between a borrower

Ludwig, Erich

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1 and Fannie Mae?

2 MR. NAROD: Objection. Scope.

3 THE WITNESS: Servicers are required to
4 adhere to the deed of trust.

5 BY MR. ROBINSON:

6 Q. And is NewRez required to adhere to the
7 deed of trust between Ms. White and Fannie Mae?

8 A. Yes.

9 Q. And Fannie Mae is the owner of Ms.
10 White's mortgage note; correct?

11 A. Yes.

12 Q. And Fannie Mae is the beneficiary and
13 owner of -- of the secured instrument, the deed of
14 trust, between Fannie Mae and Ms. White; correct?

15 A. Yes.

16 Q. And Fannie Mae retained NewRez to act as
17 its servicer in relation to Ms. White's mortgage
18 note and mortgage, and deed of trust; correct?

19 A. Yes.

20 Q. Ms. White did not retain NewRez in that
21 capacity, did she?

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1 do not have access to that.

2 Q. All right. So you mentioned earlier that
3 one of your new responsibilities, I think, is the
4 borrower interfacing team?

5 A. Yes.

6 Q. And what is your -- what's Fannie Mae's
7 borrower interfacing team? What does it do?

8 A. We manage calls and emails that come from
9 borrowers looking for assistance on their Fannie
10 Mae loans.

11 Q. And in managing calls and emails from
12 borrowers, does it -- does it confirm that the
13 borrower actually has a loan owned by Fannie Mae?

14 MR. NAROD: Objection. Scope.

15 THE WITNESS: Yes.

16 BY MR. ROBINSON:

17 Q. How does it do that?

18 MR. NAROD: Objection. Scope.

19 THE WITNESS: Fannie Mae has a lookup
20 tool, using property information to identify
21 Fannie Mae loans.

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1 BY MR. ROBINSON:

2 Q. So, would that -- what information does
3 it need on the lookup tool to identify if a loan
4 is owned by Fannie Mae?

5 A. Property address.

6 Q. Anything else?

7 A. That's it.

8 Q. If the borrower provided the borrower
9 interfacing team with his or her Social Security
10 number, would that be -- help in assisting to
11 determine if it was Fannie Mae owned?

12 A. No. We do not collect -- the role of our
13 team is not to collect the Social Security number
14 related to the idea I am a security risk
15 associated. It is not necessary to determine
16 Fannie Mae loan status with a Social Security
17 number.

18 Q. Does Ms. White's loan -- if you wanted to
19 -- if you were at your office and you wanted to
20 look up information on Ms. White's loan, is there
21 a system you could do to do that on at Fannie Mae?

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1 A. Yes.

2 Q. So the particulars of the borrower's name
3 and address, and maybe the dates, and the name of
4 the particular lender might change on different
5 documents, but otherwise the other terms and
6 conditions are pretty uniform and standard for
7 Fannie Mae deeds of trust; right?

8 A. Yes.

9 Q. All right. So the first page deals with
10 definitions.

11 And if we go to the second page of
12 Exhibit 17, there's a definition for applicable
13 law. I'll make it a little bigger for you.

14 Do you want to read that paragraph (J)
15 and let me know when you're ready?

16 A. (Perusing document.)

17 I'm ready.

18 Q. Is it your understanding that paragraph
19 (J) describes that the deed of trust -- well,
20 describes the term "applicable law" would mean all
21 state, federal, local statutes, regulations,

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1 ordinances, administrative rules, and orders that
2 have the effect of law in any final non-appealable
3 judicial decisions?

4 MR. NAROD: Objection. Scope.

5 THE WITNESS: (No response.)

6 BY MR. ROBINSON:

7 Q. Was that term or definition there
8 something written by Ms. White on this instrument,
9 or is that something written by the lender, as
10 approved by Fannie Mae?

11 A. Yeah. That would be standard verbiage on
12 this document, as approved by Fannie Mae.

13 Q. All right. So, Fannie Mae would not
14 acquire a loan that didn't have that definition
15 there; correct?

16 A. I -- I can't speak to that. I -- I don't
17 -- I can't say 100 percent sure yes, but I would -
18 - I would think that this would be standard
19 verbiage for all Fannie Mae loans.

20 Q. Okay. So, we'll go to paragraph 14.
21 This paragraph is titled "Loan Charges." Do you

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1 down here at the end that you -- you testified
2 about you can't really speak to. "Lender may not
3 charge fees that are expressly prohibited by this
4 security instrument or by applicable law"; right?

5 A. Correct.

6 Q. Who determines what -- in the
7 relationship between Fannie Mae and NewRez, doing
8 business as Shellpoint, who determines what fees
9 are allowed under applicable law, pursuant to
10 paragraph 14 of the deed of trust?

11 MR. NAROD: Objection to scope.

12 THE WITNESS: It is my understanding that
13 servicers are required to vet and understanding
14 any applicable law, whether it be federal, state,
15 or local and to abide by those.

16 BY MR. ROBINSON:

17 Q. And it's your understanding that Fannie
18 Mae requires them to do that; correct?

19 MR. NAROD: Objection to scope.

20 THE WITNESS: Correct.

21 BY MR. ROBINSON:

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1 MR. NAROD: Objection. Scope.

2 THE WITNESS: I have no record of that.

3 No.

4 BY MR. ROBINSON:

5 Q. Okay. And just so we're on the same page
6 about definitions, the same question as to NewRez,
7 doing business as Shellpoint?

8 A. Outside of what's specifically in the
9 servicing guide, that's the requirement for the
10 servicers, whether it be NewRez, doing business as
11 Shellpoint, or DiTech.

12 Q. All right. And your testimony earlier,
13 the servicing guide is subject to applicable law,
14 whether they can do that or not; correct?

15 A. Correct.

16 Q. Earlier, when we were talking about
17 servicing, you stated that servicing included the
18 collection of payments; correct?

19 A. Yes.

20 Q. And the collection of payments is done by
21 the servicer on Fannie Mae's behalf; correct?

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1 A. Yes.

2 MR. NAROD: Objection.

3 BY MR. ROBINSON:

4 Q. And Ms. White has made payments to
5 NewRez, doing business as Shellpoint; correct?

6 A. Yes.

7 Q. And NewRez, doing business as Shellpoint,
8 has collected those payments on Fannie Mae's
9 behalf?

10 MR. NAROD: Objection to scope.

11 MR. ROBINSON: Is that right?

12 THE WITNESS: Yes.

13 BY MR. ROBINSON:

14 Q. And, if you know, what has NewRez, doing
15 business as Shellpoint, done with those payments
16 that it's collected from Ms. White?

17 A. Those payments are passed through to
18 Fannie Mae. The interest and principal portion
19 after the servicing fee is retained by the
20 servicer.

21 Q. And that's the same for every other

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1 borrower in the state of Maryland that NewRez,
2 doing business as Shellpoint, collects on behalf
3 of Fannie Mae; right?

4 MR. NAROD: Objection to scope.

5 THE WITNESS: Yes.

6 BY MR. ROBINSON:

7 Q. It's not any different with the other
8 people, as compared to what happens with Ms.
9 White?

10 MR. NAROD: Objection to form and scope.

11 THE WITNESS: There is no differentiation
12 between borrowers, in terms of the collection.

13 BY MR. ROBINSON:

14 Q. All right. So, if I understand -- what
15 I'm understanding and hearing from you is that
16 Fannie Mae collects indirectly, through NewRez,
17 doing business as Shellpoint, from Ms. White?

18 MR. NAROD: Objection to scope.

19 BY MR. ROBINSON:

20 Q. Is that correct?

21 A. Yeah. Fannie -- Yeah. Fannie Mae is not

Ludwig, Erich

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1 a -- not a debt collector.

2 Q. I didn't ask if they were a debt

3 collector. I understand where you want to go, but

4 that wasn't my question.

5 So my question was, and I think I

6 understood your testimony, is that NewRez, doing

7 business as Shellpoint, collects payments from Ms.

8 White; correct?

9 A. Correct.

10 Q. And it does that on behalf of Fannie Mae;

11 correct?

12 MR. NAROD: Objection to scope.

13 THE WITNESS: Correct.

14 BY MR. ROBINSON:

15 Q. And a portion of those payments you

16 testified about is transmitted to Fannie Mae;

17 correct?

18 A. Correct.

19 Q. So my question for you is, Fannie Mae is

20 collecting indirectly through NewRez, doing

21 business as Shellpoint; right?

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1 MR. NAROD: Objection to scope.

2 THE WITNESS: Yes.

3 BY MR. ROBINSON:

4 Q. Okay. And then you mentioned servicing
5 fee retained a moment ago. What did you mean by
6 that expression?

7 A. Within every payment, the servicer has
8 the ability to retain a portion of the payment as
9 -- as compensation for the servicing that they are
10 doing.

11 Q. And is the amount of the servicing fee
12 laid out in the contract between Fannie Mae and
13 New Residential in this case that we went over
14 earlier?

15 A. I don't know if that's specifically
16 detailed in that contract.

17 Q. There may be some other agreement
18 somewhere that details that; correct?

19 MR. NAROD: Objection.

20 THE WITNESS: Maybe.

21 BY MR. ROBINSON:

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CERTIFICATE OF NOTARY REPORTER

I, Kathleen S. Wilson, a Notary Reporter, in and for the State of Maryland, County of Anne Arundel, do hereby certify that the Witness whose testimony appears in the foregoing transcript was first duly sworn by me; that the testimony of said witness was taken by me and thereafter transcribed by me or under my direction; that said transcript is a true and accurate record of the testimony given to the best of my ability; that I am neither counsel for, related to nor employed by any of the parties to the action in which this deposition was taken; and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Kathleen S. Wilson

Notary Reporter

My Commission Expires March 14, 2022

Elite Reporting Company, Inc.
800-734-3337

710 Americana Drive, A-1
Annapolis, Maryland 21403

ANDREW LOLL - 5/7/2015

1	UNITED STATES DISTRICT COURT	
	EASTERN DISTRICT OF MISSOURI	
2	EASTERN DIVISION	
3		
4		
5		
6	JEANNIE K. MAY)
)
7	Plaintiff,)
)
8	vs.) Case No. 4:14-CV-578-TCM
)
9	NATIONSTAR MORTGAGE, LLC,) VOLUME I
)
10	Defendant.)
11	_____)
12		
13		
14		
15	VIDEOTAPED DEPOSITION OF ANDREW J. LOLL	
16		
17		
18	DATE & TIME: Thursday, May 7, 2015	
	9:36 a.m. - 4:31 p.m.	
19		
20	LOCATION: 211 North Broadway	
	St. Louis, Missouri	
21		
22	REPORTER: Tami L. Bruder, CCR	
	Certificate No. 1030	
23		
24		
25		

Page 1

ANDREW LOLL - 5/7/2015

1 UNITED STATES DISTRICT COURT
2 EASTERN DISTRICT OF MISSOURI
3 EASTERN DIVISION
4
5
6 JEANNIE K. MAY)
7)
8 Plaintiff,)
9)
10 vs.) Case No. 4:14-CV-578-TCM
11)
12 NATIONSTAR MORTGAGE, LLC,) VOLUME I
13)
14 Defendant.)
15 _____)
16
17 VIDEOTAPED DEPOSITION OF ANDREW J. LOLL, taken on
18 behalf of the Plaintiff on Thursday, May 7, 2015, at Bryan
19 Cave LLP, 211 North Broadway, St. Louis, Missouri 63102-2750,
20 commencing at 9:36 a.m., and concluding at 4:31 p.m., on
21 Thursday, May 7, 2015, pursuant to Notice, before TAMI
22 L. BRUDER, CCR No. 1030, a Certified Court Reporter, in
23 and for the State of Missouri.
24 ***
25

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ANDREW LOLL - 5/7/2015

1 APPEARANCES:

2 For the Plaintiff:

3 HUMPHREYS WALLACE HUMPHREYS, P.C.

Luke J. Wallace, Esquire

4 David Humphreys, Esquire

9202 South Toledo Avenue

5 Tulsa, Oklahoma 74137

6 For the Defendant:

7 BRYAN CAVE LLP

Amy E. Breihan, Esquire

8 211 North Broadway, Suite 3600

St. Louis, Missouri 63102-2750

9

Also present:

10

Ms. Lynn Reina, CLVS

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ANDREW LOLL - 5/7/2015

1		INDEX OF EXHIBITS PREVIOUSLY MARKED	
2	EXHIBIT		
3	NO.	DESCRIPTION	PAGE (s)
4	1	LSAMS notes (collection history log/profile) Bates NATIONSTAR00468-504	123, 125, 143, 145, 147, 151, 166, 187, 191, 193, 194, 207, 212, 218, 232, 241, 249, 262, 271, 311
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9	3	payment history (Bates MAY00376, MAY00257-260)	141
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11	5	4/9/13 fax @ 10:00 a.m. to Alicia Jackson from Ms. May (Bates NATIONSTAR00276-00303)	202, 203
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14	8	4/22/13 fax to research from Ms. May (Bates MAY00010-46)	267
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16	11	4/19/13 letter from Ms. Agyeman to Ms. May (Bates NATIONSTAR00306-309)	251, 274
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19	14	process management notes dated 1/20/11 to 3/7/14 (Bates NATIONSTAR00437-467)	155, 157, 161, 165, 236, 238
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2	EXHIBIT		
	NO.	DESCRIPTION	PAGE (s)
3			
	18	4/3/15 statement	88, 92,
4		(Bates MAY00785-790)	109, 185
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7	20	2/26/13 statement	117, 118,
		(Bates NATIONSTAR00636-638)	127
8			
9	21	1/6/13 bankruptcy discharge	117
		(Bates MAY00101-104)	
10			
11	22	motion for relief	132
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	23	\$4,838.30 cashier's check	133
13		(Bates MAY00169)	
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	24	withdrawal of motion for relief	134
15		(Bates MAY00254-255)	
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17		escrow disclosure statement	261, 306
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19	26	Nationstar's Answers and	160, 177
		Objections to Plf's discovery	
20		request dated 2/9/15	
21			
	27	Nationstar's Answers and	173
22		Objections to Plf's discovery	
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23			
24	28	written communication from	210
		Ms. May to Fred Williams	
25		dated 4/10/13 (Bates MAY00256)	

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1	INDEX OF EXHIBITS MARKED 5/7/2015 CONTINUED		
2	EXHIBIT		
3	NO.	DESCRIPTION	PAGE (s)
4	29	4/15/13 fax from Ms. May to Valicia Jackson (Bates NATIONSTAR00665-666)	235, 242, 249
5	30	5/2/13 letter from Nationstar to Ms. May (Bates MAY00232)	269
6	31	5/2/13 letter to Ms. May from Nationstar - new SPOC (Bates NATIONSTAR00314)	272
7	32	5/8/13 letter from Nationstar to Ms. May (Bates MAY00275-278)	274, 287
8	33	5/8/13 letter from Ms. Ramirez to Ms. May (Bates MAY00050-51)	294
9	34	5/13/13 letter from Nationstar to Ms. May - new SPOC (Bates NATIONSTAR00315)	302, 304
10	35	bank record of 6/14/13 payment of \$999.45 to Nationstar (Bates MAY00284)	306
11	36	6/14/13 printout of loan summary online (Bates MAY00282-283)	307
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ANDREW LOLL - 5/7/2015

1 ST. LOUIS, MISSOURI; THURSDAY, MAY 7, 2015

2 9:36 A.M.

3 THE VIDEOGRAPHER: This is the video
4 deposition of A.J. Loll taken on behalf of the Plaintiff
5 in the matter of Jeannie K. May, Plaintiff, versus
6 Nationstar Mortgage, LLC, Defendant, Case No.
7 4:14-CV-578-TCM, in the United States District Court for
8 the Eastern District of Missouri. The deposition is
9 being held on May 7th, 2015, beginning at 9:36 a.m.

10 My name is Lynn Reina, Certified Legal Video
11 Specialist. The court reporter is Tami Bruder. And we
12 are here on behalf of Maxene Weinberg Agency in Mission
13 Viejo, California.

14 The deposition is being held in the offices of
15 Bryan Cave, One Metropolitan Square, 211 North Broadway,
16 Suite 3600, in St. Louis, Missouri 63102.

17 Would counsel please introduce themselves and the
18 parties they represent, beginning with the party
19 noticing this proceeding?

20 MR. WALLACE: Yes. This is Luke Wallace.
21 Sitting next to me is my partner, David Humphreys. We
22 represent the Plaintiff Jeannie K. May.

23 MS. BREIHAN: Amy Breihan. I represent
24 Nationstar Mortgage, LLC.

25 THE VIDEOGRAPHER: Would the court reporter

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ANDREW LOLL - 5/7/2015

1 please administer the oath to the witness.

2 ANDREW J. LOLL,

3 called as a witness by and on behalf of the

4 Plaintiff, being first duly sworn, was examined

5 and testified as follows:

6 EXAMINATION

7 BY MR. WALLACE:

8 Q. Good morning.

9 A. Good morning.

10 Q. My name is Luke Wallace. Would you tell us
11 your name?

12 A. A.J. Loll as it relates to corporate
13 resolution for Nationstar Mortgage. Legal name Andrew
14 J. Loll. Last name is L-o-l-l.

15 Q. You say corporate resolution?

16 A. Yeah. I sign documents for the company as
17 an officer. I sign it A.J. Loll.

18 Q. Okay. Mr. Loll, how -- how many times have
19 you done what we're doing here, which is sitting down to
20 offer testimony on behalf of a corporation?

21 A. Many times. Well over 100.

22 Q. Okay. When did you first start?

23 MS. BREIHAN: Objection, vague.

24 A. Probably about maybe six years ago, in that
25 ball park.

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ANDREW LOLL - 5/7/2015

1 BY MR. WALLACE:

2 Q. And is that when you joined Nationstar?

3 A. No, sir. I joined Nationstar in January of
4 2002.

5 Q. And how did you hire in, what -- what
6 position in January of 2002?

7 A. I was recruited from Citigroup Mortgage. I
8 was hired in as a vice-president in their collections
9 area.

10 Q. So you're collecting on delinquent
11 mortgages or overseeing the group that collects on
12 delinquent mortgages?

13 A. That was my title, but I was utilized to
14 spend time in each department for Nationstar, but my
15 official title hired in was vice-president collections.

16 Q. How long did you do that, where you were
17 utilized in each of the departments?

18 A. I can -- maybe I can answer this way.

19 Q. Rough. Rough.

20 A. I've been with the company since 2002.
21 During that period of time, I've been the vice-president
22 of post-foreclosure/REO, vice-president of foreclosure,
23 vice-president of underwriting, vice-president of
24 bankruptcy, vice-president of auditing/quality control,
25 vice-president of loss mitigation, vice-president of 60

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ANDREW LOLL - 5/7/2015

1 to 89 day delinquency, vice-president of our national
2 mediation program, and currently I am vice-president of
3 our litigation support, which entails litigation such as
4 this and preparing corporate witnesses for pretty much
5 all areas of the mortgage servicing area from
6 origination through liquidation and all our vendors in
7 between. I have 30 -- approximately 30 years in the
8 financial industry.

9 Q. What is Nationstar?

10 A. Nationstar Mortgage is a combination of a
11 mortgage servicer. It is a -- also a mortgage
12 originator, and it also has an entity called
13 Solutionstar that is our technologies area, and it -- as
14 it relates to Nationstar, it handles our servicing side
15 as it relates to products. Example would be BPOs,
16 appraisals, title work, closing, recovery services.

17 Q. What are the recovery services?

18 A. For different investors, Nationstar doesn't
19 own most of our loans, so we collect post-foreclosure on
20 a recovery basis through Solutionstar's recovery entity.

21 Q. All right. And when you say mortgage
22 servicing, can you tell us what that means?

23 A. Mortgage servicing is everything
24 post-origination, once your first payment is due, your
25 escrow analysis, your -- applying your payments to your

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ANDREW LOLL - 5/7/2015

1 amortization, overseeing homeowner's insurance, tax
2 assessment changes for your escrow, year end 1098 for
3 tax reporting, bankruptcy monitoring.

4 If -- if the loan is in default, we have to
5 follow procedures for the investor as well as CFPB. We
6 also handle the foreclosure, and if we're still the
7 investor -- I mean, excuse me -- we're still the
8 servicer post-foreclosure, if the investor would like us
9 to, we also handle the liquidation of that account and
10 also the tax reporting on those assets.

11 So it's basically cradle to grave once your
12 mortgage is originated and it's funded and the first
13 payment is due. And also the custodian of records that
14 are associated with the -- with the origination.

15 [REDACTED]
16 [REDACTED]
17 [REDACTED]

18 So the investor in -- in Mrs. May's account is
19 Fannie Mae; is that correct?

20 A. That's correct.

21 Q. And when we say investor, that means what
22 in your industry?

23 A. Investor is the owner of the -- of the
24 loan. In the case of Jeannie May, the -- the
25 underwriting and the ownership side is Fannie Mae.

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ANDREW LOLL - 5/7/2015

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] So did -- has anyone at Nationstar told the investor, the owner of this loan, how you serviced this account for Mrs. May, now that you know the details? Anybody told your -- the owner of the loan?

A. The investor is aware of any Fannie Mae loan that's in litigation or delinquent, and we have to update them on a monthly basis of what's going on with

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ANDREW LOLL - 5/7/2015

1 the status. Fannie Mae contractually that we are -- if
2 it's our error, then we are responsible for that error,
3 and that's what we're contracted to do.

4 Q. Have you --

5 A. So Fannie Mae is aware. Fannie Mae doesn't
6 service the loan. They own the loan. They want us to
7 -- if we erred, to fix it.

8 Q. Have they -- have you told them that you
9 erred?

10 A. They're aware that it's in litigation and
11 that it's in the status that it's in.

[REDACTED]

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ANDREW LOLL - 5/7/2015

1 NOTARIAL CERTIFICATE
2 STATE OF MISSOURI)
)
3 COUNTY OF ST. LOUIS)
4 I, TAMI L. BRUDER, a Registered Professional
Reporter, Certified Court Reporter, and a duly
5 commissioned Notary Public within and for the State of
Missouri, do hereby certify that on May 7, 2015, there
6 came before me at the law firm of Bryan Cave LLP, 211
North Broadway, Suite 3600, St. Louis, Missouri
7 63102-2750,
8 ANDREW J. LOLL,
9 who was by me first duly sworn to testify to the truth
and nothing but the truth of all knowledge touching and
10 concerning the matters in controversy in this cause;
that the witness was there upon carefully examined under
11 oath and said examination was reduced to writing by me;
and that the signature of the witness is reserved by
12 agreement of all parties, and that this deposition is a
true and correct record of the testimony given by the
13 witness.
14 I further certify that I am neither attorney
nor counsel for nor related nor employed by any of the
15 parties to the action in which this deposition is taken;
further, that I am not a relative or employee of any
16 attorney or counsel employed by the parties hereto or
financially interested in this action.
17
18 IN WITNESS WHEREOF, I have hereunto set my
hand and seal on this 11th day of May, 2015.
19 My commission expires June 27, 2015.
20
21 NOTARY PUBLIC
Tami L. Bruder, C.C.R. No. 1030
22
23
24
25

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The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo, and
PETER HACKINEN, *on their own behalf and
on behalf of other similarly situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC,

Defendant.

Case No. 2:24-cv-00444-BJR

**AFFIDAVIT OF
CATHERINE PALAZO**

I, CATHERINE PALAZZO, proposed Plaintiff and Class Representative, being of
lawful age, deposes and states the following:

1. I am over 18 and competent to testify to the following facts. I have personal knowledge of the facts set forth herein.
2. I submit this affidavit in support of my Motion to Certify a Plaintiffs' Class in this action against Nationstar Mortgage LLC.
3. I reside in Pittsville, Wicomico County, Maryland, where I own a home with my husband at 34811 Old Ocean City Road.
4. My home is subject to a mortgage loan and is secured by a Deed of Trust in which I am identified as a borrower. My husband Ruben Palazzo and I agreed to the terms of the loan for our personal, family use of the family home.

- 1 5. After we took out the mortgage loan to our home, it was assigned and sold to Freddie
2 Mac, which engaged a series of collectors to act as the mortgage servicer of the loan on
3 its behalf thereafter.
- 4 6. Nationstar d/b/a RightPath became the servicer of our loan in 2022 but it did not
5 disclose its role as the service of the loan until more than eight months after the fact and
6 only in response to a dispute we sent to it. In that same correspondence dated February
7 24, 2023, Nationstar stated in writing that its “records indicate that the Federal Home
8 Loan Mortgage Corporation (Freddie Mac) as owner” our loan.
- 9 7. I am in charge of managing our household finances and all mail related to the mortgage
10 is reviewed by me.
- 11 8. Nationstar at no time has sent me (or my husband) correspondence indicating the
12 ownership of our mortgage loan has transferred from Freddie Mac to Nationstar (or
13 anyone else) as required by 15 U.S.C.A. § 1641(g) or 12 C.F.R. § 1026.39(b).
- 14 9. Due in part to Nationstar’s irregularities related to my loan, I requested Nationstar to
15 send me a payoff quote on or about September 11, 2023. As a result of that request for
16 an accurate payoff statement, Nationstar imposed and collected from us fees of at least
17 \$25 related to the request for a mortgage payoff.
- 18 10. This action is to hold Nationstar liable for imposing fees for borrowers like me to obtain
19 accurate payoff statements of our mortgage loans. It is my understanding that these fees
20 are illegal under Federal and State law.
- 21 11. My rights asserted in this action include those of my husband Ruben as well since he
22 has assigned his rights to me via power of attorney.
- 23 12. I understand that I will serve as a class representative to fairly and adequately protect
24 the interests of others throughout the country and in Maryland.
- 25 13. I do not have any interests that are antagonistic to the proposed class. My claims are the
26 same as the claims of all class members and I have the same interests, to hold
Nationstar and its clients accountable for the claims asserted against them in this action.
14. I am prepared to participate in the discovery needed for this lawsuit, including sitting
for a deposition. I am ready and willing to continue to do what may be necessary to
pursue the claims in this case on behalf of the proposed class of persons and come to
trial if necessary and appropriate.

1 15. I have retained counsel—Mr. Phillip Robinson and Ms. Christina Henry—to represent
2 my interests and the interests of others like me who paid fees to obtain accurate payoff
3 statements of their mortgage loans. Nationstar collected fees from us for those
4 statements even though none of our agreements or laws expressly permitted them to do
5 so.

6 I SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT THE FOREGOING
7 STATEMENTS ARE TRUE TO THE BEST OF MY KNOWLEDGE, INFORMATION,
8 AND BELIEF.

9 
Catherine Palazzo

Dated Jul 23, 2024

10 **CERTIFICATE OF SERVICE**

11 I hereby certify that I caused this Affidavit of Catherine Palazzo to be served on the
12 following named person(s) on the date indicated below by notice of electronic filing using the
13 CM/ECF system:
14

15 I hereby certify that a copy of the foregoing and related other filings referenced herein,
16 and proposed order was provided to counsel to record for Defendant Nationstar at the time of
17 filing through the Court's CM/ECF system.

18 In addition, I also hereby certify that a paper copy of the same was sent by pre-paid U.S.
19 Mail to Freddie Mac's General Counsel at:
20

21 Heidi Mason
22 Executive VP & General Counsel
23 Freddie Mac
24 8200 Jones Brach Drive
25 McLean, VA 22102

26 EXECUTED THIS 23rd of July 2024

s/ Christina L. Henry
Christina L Henry

Palazzo_Affidavit - final

Final Audit Report

2024-07-23

Created:	2024-07-23
By:	Christina Henry (mainline@hdm-legal.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAEm5VG3MImZYkZMDr6HCXWXHfySBjVOqv

"Palazzo_Affidavit - final" History



Document created by Christina Henry (mainline@hdm-legal.com)

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Document emailed to Catherine Palazzo (cathypalazzo@live.com) for signature

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Email viewed by Catherine Palazzo (cathypalazzo@live.com)

2024-07-23 - 11:32:55 PM GMT



Document e-signed by Catherine Palazzo (cathypalazzo@live.com)

Signature Date: 2024-07-23 - 11:33:19 PM GMT - Time Source: server



Agreement completed.

2024-07-23 - 11:33:19 PM GMT



The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo, and
PETER HACKINEN, *on their own behalf and
on behalf of other similarly situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC, *et al.*

Defendants.

Case No. 2:24-cv-00444-BJR

AFFIDAVIT OF RICARDO SALOM

I, RICARDO SALOM, solemnly affirm under the penalties of perjury and upon
personal knowledge that the contents of the foregoing paper are true.:

1. I am over 18 and competent to testify to the following facts. I have personal knowledge
of the facts set forth herein.
2. I submit this affidavit in support of the Motion to Certify a Class in this action against
Nationstar Mortgage LLC (“Nationstar”).

- 1 3. I previously resided in Gaithersburg, Montgomery County, Maryland, where I owned a
2 home at 14608 Quince Orchard Road until I sold it and moved to the State of
3 Washington.
- 4 4. My former home was subject to a mortgage I agreed to for my personal use. After I took
5 out my former loan subject to this action, it was assigned and sold to Fannie Mae. In
6 2016, I completed a loan modification with Seterus, Inc., the previous servicer, when it
7 worked on behalf of Fannie Mae.
- 8 5. Since 2019, until I paid off the loan in 2022, my mortgage was serviced by Nationstar
9 after it merged with Seterus Inc.
- 10 6. In 2022, to prepare to sell my former home in Maryland, I requested, through my agent,
11 that Nationstar provide to me an accurate payoff statement of the loan which I received
12 on or about June 29, 2022.
- 13 7. When I sold my home in Maryland and the sale proceeds paid off my former Nationstar
14 mortgage loan, Nationstar imposed and collected from him fees of at least \$25 for the
15 payoff statement.
- 16 8. In late 2022 or in early 2023, I requested Nationstar send me a copy of certain records
17 related to my former loan from Seterus and from Nationstar itself. In response to that
18 request, Nationstar provided me with voluminous records. However, Nationstar at no
19 time has ever sent me correspondence indicating the ownership of my former mortgage
20 loan transferred from Fannie Mae to Nationstar (or anyone else) as required by 15
21 U.S.C.A. § 1641(g) or 12 C.F.R. § 1026.39(b).
- 22
23
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1 9. This action is to hold Nationstar liable for imposing fees for borrowers like me to obtain
2 accurate payoff statements of our mortgage loans. It is my understanding that these fees
3 are illegal under Federal and State law.


4 10. I understand that I will serve as a class representative to fairly and adequately protect
5 the interests of others throughout the country and in my former home state of Maryland.
6

7 11. I do not have any interests that are antagonistic to the proposed class. My claims are the
8 same as the claims of all class members and I have the same interests, to hold
9 Nationstar and its clients, if necessary, accountable for the claims asserted against them
10 in this action.

11 12. I am prepared to participate in the discovery including sitting for a deposition. I am
12 ready and willing to continue to do what may be necessary to pursue the claims in this
13 case on behalf of the proposed class of persons and come to trial if necessary and
14 appropriate.
15

16 13. I have retained counsel—Mr. Phillip Robinson and Ms. Christina Henry—to represent
17 my interests and the interests of others like me, we paid fees to obtain accurate payoff
18 statements of their mortgage loans and Nationstar collected fees from us for those
19 statements even though none of our agreements or laws expressly permitted them to do
20 so.
21

22 I SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT THE FOREGOING
23 STATEMENTS ARE TRUE TO THE BEST OF MY KNOWLEDGE, INFORMATION,
24 AND BELIEF.

25 
Ricardo Salom

Dated Jul 23, 2024

CERTIFICATE OF SERVICE

I hereby certify that I caused the Affidavit of Ricardo Salom to be served on the following named person(s) on the date indicated below by notice of electronic filing using the CM/ECF system:

I hereby certify that a copy of the foregoing and related other filings referenced herein, and proposed order was provided to counsel to record for Defendant Nationstar at the time of filing through the Court's CM/ECF system.

In addition, I also hereby certify that a paper copy of the same was sent by pre-paid U.S. Mail to Freddie Mac's General Counsel at:

Heidi Mason
Executive VP & General Counsel
Freddie Mac
8200 Jones Brach Drive
McLean, VA 22102

EXECUTED THIS 23rd of July 2024

/s/ Christina L. Henry
Christina L Henry

Salom_Affidavit - final

Final Audit Report

2024-07-24

Created:	2024-07-23
By:	Christina Henry (mainline@hdm-legal.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAZTGcH_FutgFoy4uPc8f8VyyIsv0SBLCc

"Salom_Affidavit - final" History



Document created by Christina Henry (mainline@hdm-legal.com)

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Document emailed to Ricardo Salom (rsalom3022@aol.com) for signature

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Email viewed by Ricardo Salom (rsalom3022@aol.com)

2024-07-24 - 5:16:51 AM GMT



Document e-signed by Ricardo Salom (rsalom3022@aol.com)

Signature Date: 2024-07-24 - 5:18:12 AM GMT - Time Source: server



Agreement completed.

2024-07-24 - 5:18:12 AM GMT



The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo, and
PETER HACKINEN, *on their own behalf and
on behalf of other similarly situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC,

Defendant.

Case No. 2:24-cv-00444-BJR

**AFFIDAVIT OF
PETER HACKINEN**

I, PETER HACKINEN, solemnly affirm under the penalties of perjury and upon
personal knowledge that the contents of the foregoing paper are true:

1. I am over 18 and competent to testify to the following facts. I have personal knowledge of the facts set forth herein.
2. I submit this affidavit in support of the Motion to Certify a Class in this action against Nationstar Mortgage LLC (“Nationstar”).
3. I reside in Seattle, Washington, where I own a home at 624 North 138th Street.

- 1 4. My home was subject to a prior mortgage subject to this action which I agreed to for my
2 personal use.
- 3 5. Since 2013, my mortgage was serviced by Nationstar when it became the collector on
4 the loan (which was in default due my missed payments) on behalf of the entity owned
5 it—i.e. Bank of New York Mellon f/k/a The Bank of New York as Trustee for the
6 holders of the Certificates, First Horizon Mortgage Pass-Through Certificates Series
7 FHAMS 2007-FA1.
- 8 6. Because I needed to refinance my mortgage loan, in 2023, I requested Nationstar to
9 send me accurate payoff statements so I knew what sum would be needed to satisfy the
10 mortgage.
- 11 7. In response, I received written payoff quotes from Nationstar on multiple dates,
12 including July 21, 2023, October 5, 2023, and March 11, 2024. On each of those quotes,
13 Nationstar imposed fees for the payoff statements of at least \$25 in each instance onto
14 my mortgage account.
- 15 8. I finally completed the refinance of my mortgage in late March 2024.
- 16 9. Before and after paying off my former mortgage, at no time did Nationstar send me
17 correspondence indicating the ownership of our mortgage loan has transferred from
18 Bank of New York Mellon f/k/a The Bank of New York as Trustee for the holders of
19 the Certificates, First Horizon Mortgage Pass-Through Certificates Series FHAMS
20 2007-FA1 to Nationstar (or anyone else) as required by 15 U.S.C.A. § 1641(g) or 12
21 C.F.R. § 1026.39(b).
- 22
23
24
25
26

1 10. This action is to hold Nationstar liable for imposing fees for borrowers like me to obtain
2 accurate payoff statements of our mortgage loans. It is my understanding that these fees
3 are illegal under Federal and State law.

4 11. I understand that I will serve as a class representative to fairly and adequately protect
5 the interests of others throughout the country and in Washington State.

6 12. I do not have any interests that are antagonistic to the proposed class. My claims are the
7 same as the claims of all class members and I have the same interests, to hold
8 Nationstar and its clients, if necessary, accountable for the claims asserted against them
9 in this action.

10 13. I am prepared to participate in the discovery for this lawsuit, including sitting for a
11 deposition. I am ready and willing to continue to do what may be necessary to pursue
12 the claims in this case on behalf of the proposed class of persons and come to trial if
13 necessary and appropriate.

14 14. I have retained counsel—Mr. Phillip Robinson and Ms. Christina Henry—to represent
15 my interests and the interests of others like me who paid fees to obtain accurate payoff
16 statements of their mortgage loans. Nationstar collected fees from us for those
17 statements even though none of our agreements or laws expressly permitted them to do
18 so.

19 I SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT THE FOREGOING
20 STATEMENTS ARE TRUE TO THE BEST OF MY KNOWLEDGE, INFORMATION,
21 AND BELIEF.

22 Peter Hackinen
23 Peter Hackinen (Jul 23, 2024 13:23 PST)
24 Peter Hackinen

25 Dated Jul 23, 2024

CERTIFICATE OF SERVICE

I hereby certify that I caused the Affidavit of Peter Hackinen to be served on the following named person(s) on the date indicated below by notice of electronic filing using the CM/ECF system:

I hereby certify that a copy of the foregoing and related other filings referenced herein, and proposed order was provided to counsel to record for Defendant Nationstar at the time of filing through the Court's CM/ECF system.

In addition, I also hereby certify that a paper copy of the same was sent by pre-paid U.S. Mail to Freddie Mac's General Counsel at:

Heidi Mason
Executive VP & General Counsel
Freddie Mac
8200 Jones Brach Drive
McLean, VA 22102

EXECUTED THIS 23rd of July 2024

/s/ Christina L. Henry
Christina L Henry






Hackinen_Affidavit -final (again)

Final Audit Report

2024-07-23

Created:	2024-07-23
By:	Christina Henry (mainline@hdm-legal.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAbV_F0tpxZj70Ecd6MmipP1OR1f1iTVz-

"Hackinen_Affidavit -final (again)" History

-  Document created by Christina Henry (mainline@hdm-legal.com)
2024-07-23 - 10:01:03 PM GMT
-  Document emailed to Peter Hackinen (therecoup624@gmail.com) for signature
2024-07-23 - 10:01:08 PM GMT
-  Email viewed by Peter Hackinen (therecoup624@gmail.com)
2024-07-23 - 10:02:35 PM GMT
-  Document e-signed by Peter Hackinen (therecoup624@gmail.com)
Signature Date: 2024-07-23 - 10:03:10 PM GMT - Time Source: server
-  Agreement completed.
2024-07-23 - 10:03:10 PM GMT

The Honorable Barbara J. Rothstein

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON - SEATTLE

RICARDO SALOM, CATHERINE
PALAZZO as assignee for Ruben Palazzo,
and PETER HACKINEN, *on their own
behalf and on behalf of other similarly
situated persons,*

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC

And

FEDERAL HOME LOAN MORTGAGE
CORPORATION, *on its own behalf and on
behalf of similarly situated persons*

Defendants.

Case No. 2:24-cv-00444-BJR

**DECLARATION OF PHILLIP
ROBINSON IN SUPPORT OF
CLASS CERTIFICATION**

Phillip Robinson, being of lawful age, declares:

1. I have personal knowledge of the facts set forth herein.
2. I submit this declaration in support of the Plaintiffs' Motion to for Class Certification Pursuant to FED. R. CIV. P. 23.
3. I am an attorney first licensed to practice law in 2000. I am currently admitted to practice before the Maryland Court of Appeals, and various federal courts including the United States District Court for the District of Maryland, United States District Court for the District of Columbia, and the United States Court of Appeals for the Third Circuit, the United States Court of Appeals for the Fourth Circuit, and the United States Court of Appeals for the Ninth Circuit. I was also admitted to appear in this action *pro hac vice*.
4. I am also currently a member of Consumer Law Center, LLC.
5. My practice includes representing consumers in financial transactions, concentrating in debt collection and mortgage servicing practices. I have represented consumers in cases involving federal and state consumer protection laws for approximately 19 years. I have been counsel in over a hundred cases involving consumer protection claims before this and other courts throughout the country.
6. In addition to my current practice, I previously was Of Counsel to the Legg Law Firm LLC and a past Executive Director and Attorney for Civil Justice Inc., a private not-for-profit legal services program that concentrates on legal representation in the area of predatory consumer practices.
7. I have devoted the resources necessary to pursue the claims in this action and advanced time and costs to the benefit of the class members and Plaintiffs (as well as administration of the case on behalf of the Class), and engaged qualified co-counsel to undertake this action with me on behalf of the class, including all the appellate work. I and my co-counsel Christina

1 Henry spent substantial time investigating the factual and legal basis of the matters set forth
2 in the Amended Complaint. This includes researching the Plaintiffs' claims and records,
3 reviewing information about the fees charged by the Defendants. We have also extensively
4 researched the Defendants' prior judicial admissions and testimony and related laws which
5 significantly narrows the issues fundamentally at issue in this action. We are also ready, able,
6 and willing, if necessary, to pursue this case through trial.

7
8 8. I have testified by invitation and otherwise before the Maryland General Assembly and
9 Congressional committees relating to consumer protection laws. I have also participated in
10 drafting these laws. In addition, I have also served as a presenter before numerous state and
11 national conferences concerning consumer protection and foreclosure issues, including the
12 Judicial Institute of Maryland.

13 9. In the community, I have also served in a variety of appointed positions including:

- 14 • Appointed Member of the Maryland State Bar Association's Laws Committee (2019
15 to present)
- 16 • Appointed Recipient of the Consumer Advocate of the Year Award, National
17 Association of Consumer Advocates (2016)
- 18 • Appointed Member, Montgomery County, Maryland Advisory Committee on
19 Consumer Affairs (2007 to 2011, 2021 to the Present)
- 20 • Appointed Member, Maryland Consumer Rights Coalition Board of Directors (2010-
21 2011)
- 22 • Recipient of the Denis J. Murphy Consumer Advocate of the Year, Maryland
23 Consumer Rights Coalition (2008)
- 24 • Appointed Member, Governor O'Malley's Homeownership Preservation Task
25 Force (2007)

26 10. I have been appointed as class counsel in various actions before Federal and State Courts
including:

- *Keneipp v. Fountainhead et al.* (USDC of MD, Civ. No. 03-cv-02813-WMN);
- *Johnson v. Fountainhead* (USDC of MD, Civ. No. 03-cv-03106-WMN);

- 1 • *Greer v. Crown Title Corp.*, Cir. Ct. Balt. City, MD; Case No. 24-C-02001227
2 (September 2005);
- 3 • *Robinson v. Fountainhead Title Group Corp.*, 447 F.Supp.2d 478 (D.Md. 2006);
4 252 F.R.D. 275 (D.Md. 2008);
- 5 • *Benway v. Resource Real Estate Services*, 239 F.R.D. 419, (D.Md. 2006);
- 6 • *Taylor v. Savings First et al.*, Cir. Ct. Balt. City, MD; Case No. 24-C-02001635
7 (January 2008);
- 8 • *Proctor v. Metropolitan Money Store Corp.*, 645 F.Supp.2d 464, 483
9 (D.Md.2009);
- 10 • *Winston v. Regional Title & Escrow LLC*, (USDC of MD, Civ. No. 08-2633-RWT)
11 (2009);
- 12 • *Hauk v. LVNV Funding, LLC*, 749 F. Supp. 2d 358 (D. Md. 2010);
- 13 • *Johnson v. Midland Funding, LLC*, USDC of MD, Case No.: 1:09-cv-02391-RDB
14 (2010);
- 15 • *Bradshaw v. Hilco Receivables, LLC*, 725 F. Supp. 2d 532 (D. Md. 2010), 765 F.
16 Supp. 2d 719 (D. Md. 2011);
- 17 • *Winemiller v. Worldwide Asset Purchasing, LLC*, USDC of MD, Civ. No. 1:09-
18 CV-02487, 2011 WL 1457749 (2011);
- 19 • *Gardner v. Montgomery County Teachers Fed. Credit Union*, USDC of MD, Civ.
20 No. 1:10-CV-02781-JKB, 2012 WL 1994602 (June 4, 2012);
- 21 • *Castillo v. Nagle & Zaller, PC*, USDC of MD, Civ. No. 12-cv-2338 (2013);
- 22 • *Rand v. Main Street Acquisition Corporation*, Cir. Ct. for Balt, MD; Case No.24-
23 O-13-004864 (2015);
- 24
- 25
- 26

- 1 • *Turner v. Asset Acquisition Group, LLC*, Cir. Ct. for Balt., MD; Case No. 24-C-13-
2 004861 (2015);
- 3 • *Baumgardner v. Blatt*, Cir. Ct. for Anne Arundel County, MD; Case No. C-02-
4 CV-14-000785(2015);
- 5 • *Martinez v. Grand Bel Manor Condominium, et al.* Cir. Ct. for Montgomery
6 County, MD, Case No. 410129-V (2016);
- 7 • *Barbely v. Dyck O'Neal Inc.*, Cir. Ct. for Anne Arundel County, MD, Case No. 02-
8 C-14-190995 (2016);
- 9 • *Devan v. Wilcox; Wilcox v. Wilmington Savings Fund Society FSB, as Trustee for*
10 *the Primestar-H Fund I Trust*, Cir. Ct. for Anne Arundel County, MD, Case No. C-
11 02-cv-14-000099 (2016);
- 12 • *Hansford v. Erin Capital Management*, Cir. Ct. for Baltimore City, MD, Case No.
13 24-C—13-004860 (2016);
- 14 • *Jason v. National Loan Recoveries, LLC*, Cir. Ct. for Baltimore City, MD, Case
15 No. 24-C-13-004862 (2017);
- 16 • *Hyatt v. Swann; Swann v. Pontus Capital Management, LLC*, Cir. Ct. for Anne
17 Arundel County, MD, Case No. C-02-cv-15-2117 (2017);
- 18 • *Jernigan et al. v. Protas, Spivok & Collins, LLC*, (USDC of MD, Civ. No. 1:16-
19 cv-03058-ELH) (2017);
- 20 • *Payne et al. v. Marriot Employees Federal Credit Union*, (USDC for the E.D. of
21 Pa., Civ. Act. No. 2:18-cv-04009-WB) (2019);
- 22 • *Grayson v. Freedom Mortgage Corporation*, Cir. Ct. for Montgomery County,
23 MD, Case No. 444996-V (2019);
- 24
25
26

- 1 • *Graham v. Servis One, Inc.*, (USDC for the E.D. of Pa., Civ. Act. No. 2:18-cv-
2 04377-WB) (2020);
- 3 • *White v. NewRez LLC d/b/a Shellpoint Mortgage Servicing & Federal National*
4 *Mortgage Association*, (Cir. Ct. for Anne Arundel County, MD, Case No. C-02-
5 cv-001060 (2021);
- 6 • *Cilano v. Shea*, USDC of MD, Case No.: 8:19-cv-0827-PWG (2021);
- 7 • *Alexander v. Carrington Mortg. Servs., LLC*, 23 F.4th 370 (4th Cir. 2022);
- 8 • *Finch v. LVNV*, Cir. Ct. for Baltimore City, MD, Case No. 24-C-11-007101 (2015
9 & 2023);
- 10 • *Baxter v. Lakeview Loan Servicing & Nationstar Mortgage LLC*, Cir. Ct. for Anne
11 Arundel County, MD, Case No. C-02-cv-22-654 (2023);
- 12 • *Baxter v. AmeriHome Mortg. Co., LLC*, 617 F. Supp. 3d 346 (D. Md. 2022); and
- 13 • *Nationstar Mortg. LLC v. Kemp*, 476 Md. 149, 258 A.3d 296 (2021).
- 14
- 15

16 11. I also have been involved in numerous other impact cases than those identified in the
17 previous paragraph which are identified on Exhibit A hereto.

18 12. Additionally, I regularly provide training for other attorneys, housing counselors, other
19 professionals, and the public in Maryland and around the country. A sample of this work
20 is attached as Exhibit B hereto.

21 13. In the Fall of 2023, I served as an Adjunct Professor of Consumer Law at both the
22 University of Maryland School of Law and the Delaware School of Law at Widener
23 University.
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1 14. I am not aware of any pending similar litigation against the Defendants concerning the
2 specific fees at issue in this action related to borrowers' requests for payoff statements.

3 15. Neither I nor the Plaintiffs have any interests that are antagonistic to the class and
4 subclasses or that would adversely affect any of us from acting as class counsel for named
5 representatives in this action. Each of the Plaintiffs and my co-counsel Christina Henry
6 have been involved in all pre- and post-litigation activities in this action and are prepared
7 to continue to litigate the actual issues in dispute (if Nationstar has any good faith basis to
8 do so in light of its prior sworn statements and admissions and also those of its clients for
9 whom it collects) on behalf of the class and subclass members. The Plaintiffs are also
10 available and willing to appear at trial if necessary and answer all discovery.
11

12 16. Attached as Exhibit 15 to Plaintiffs' Continued Appendix of Exhibits is a publicly
13 available document from PACER of a portion of a transcript of Defendant Freddie Mac
14 taken in the matter of *Schneck v. SunTrust* in the United States District Court for the
15 District of Maryland dated March 9, 2011.
16

17 17. Attached as Exhibit 16 to Plaintiffs' Continued Appendix of Exhibits is a portion of a
18 transcript of Fannie Mae's Corporate Designee taken in the matter of *White v. New Rez*
19 *and Fannie Mae* in the Circuit Court for Anne Arundel County, Maryland dated January
20 22, 2021.
21

22 18. Attached as Exhibit 24 to Plaintiffs' Continued Appendix of Exhibits is a publicly
23 available document from PACER of a portion of a transcript of Defendant Nationstar
24 taken in the matter of *Parker v. NewRez* in the United States District Court for the District
25 of Maryland dated December 5, 2023.
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1 I swear under penalty of perjury and upon personal knowledge that the foregoing is true and
2 correct to the best of my knowledge.

3 Executed on July 15, 2024
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A handwritten signature in blue ink, appearing to read "P. Robinson", is written over a horizontal line.

Phillip Robinson

Exhibit A:

PHILLIP ROBINSON

INDIVIDUAL IMPACT CASES

Wells Fargo Home Mortg., Inc. v. Neal, 398 Md. 705, 922 A.2d 538 (Md.,2007)

- Co-counsel for the *amici curiae*.

Delph v. AllState Home Mortgage, Mont. Cty. Cir Ct. Case No. 278020V (July 2008)

- First judgment in Maryland to find a payment-option-arm mortgage loan to be unfair and deceptive pursuant to the state UDAP statute; successful remand motion reported at 478 F. Supp. 2d 852 (D. Md. 2008).

Griffin v. Bierman, 403 Md. 186 (2008)

- Served as trial and appellate co-counsel for homeowner challenging the constitutionality of Maryland foreclosure notice requirements; the Court of Appeals denied the challenge but the published decision aided the legislative reforms enacted a month later and has tipped the deference to homeowners in Maryland's foreclosure proceedings.

New Towne Properties LLC v. Boyd, Md. Court of Special Appeals (Case No. 2058) (unpublished) (10/17/2008)

- Served as co-counsel at the trial level and counsel at the appellate level for homeowners victimized by a foreclosure rescue scheme. In this first impression case, the appellate court upheld the lower court ruling in favor of homeowners and the protections of a new state law to protect vulnerable homeowners.

Massey v. Lewis, CIV. AMD 08-261, 2009 WL 6885028 (D. Md. Feb. 24, 2009)

- Served as counsel at the trial level for victim of wide ranging bankruptcy and mortgage fraud scheme which resulted in criminal and civil judgments. Through this representation, Ms. Massey received title to her home back as well as a judgment for damages and attorney fees in the amount of \$670,000.

Harmon v. BankUnited, CIV. WDQ-08-3456, 2009 WL 3487808 (D. Md. Oct. 22, 2009)

- Served as counsel in surviving a motion to dismiss a consumer protection act claim involving a payment option mortgage.

1 *Addison v. Lochearn Nursing Home, LLC*, 411 Md. 251, 983 A.2d 138 (2009)

- 2 • Served as trial and appellate co-counsel in opposing motion to compel arbitration;
3 established that denials of motions to compel arbitration cannot be appealed in Maryland
4 until a final order is entered in the trial court.

5 *Julian v. Buonassissi*, 414 Md. 641 (2010)

- 6 • Served as trial and appellant counsel for successful appeal concerning the rights of
7 mortgage backed security to property acquired by massive foreclosure rescue fraud in
8 favor of client and victim.

9 *Boyd v. New Towne Properties LLC*, US Bank. Ct., for Md. Case No. 08-00357, Final Judgment
10 (June 2010).

- 11 • Obtained final judgment of \$104,000 for victims of foreclosure rescue scheme; achieved
12 previous settlements for clients which reformed mortgage to loan amount at the time of
13 the scam resulting in a return of \$150,000 in equity.

14 *Hollidayoake v. JBL Mortgage Network, LLC*, et al, Anne Arundel Cir. Ct. Civ No. 02-C10-
15 155944 (2012)

- 16 • Served as lead counsel for all pre-trial and trial purposes; presented plaintiff's Real
17 Estate Settlement Procedures Act and state unfair and deceptive practice claims against
18 mortgage defendants in six-day jury trial concerning the arrangement of payment option
19 mortgages for a 72 year old consumer.

20 *In re Bolthouse, Case no. 10-17021 (Bolthouse v. PHH Mortgage Corporation (U.S.B.C.*
21 *Md.)(July 22, 2013)*

- 22 • Obtained \$175,000 non-confidential settlement for homeowners seeking judgment for
23 botched modification attempts under federal and state law.

24 *Schneck v. SunTrust Mortgage, Inc.*, Case No. Case No.: 11-1878—CCB (D. Md. 2013)

- 25 • Obtained \$175,000 judgment for homeowners seeking judgment for botched
26 modification attempts under federal and state law.

Hastings v. Ocwen Loan Servicing, LLC, No. CIV.A. GLR-14-2244, 2014 WL 7188784, at *1
(D. Md. Dec. 16, 2014)

- Serving as counsel in breach of a loan modification agreement and settlement agreement
case brought under federal and state law.

1 *Rizwan v. Lender Servs. Inc.*, 176 F. Supp. 3d 513 (D. Md. 2016)

- 2 • Successfully obtained remand of improperly removed counterclaims filed in a foreclosure case.

3 *Ceccone v. Carroll Home Servs., LLC*, 454 Md. 680, 165 A.3d 475 (2017)

- 4 • Counsel for *Amici Curiae* in precedent case establishing limits on a business' attempting to contract away its liability for consumer protection claims.

5 *Hackett v. Bayview Loan Servicing, LLC*, No. 8:18-CV-01286-PX, 2019 WL 1934672, at *1 (D. Md. Apr. 30, 2019)

- 6 • Successfully obtained remand of improperly removed class action case.

7 *Gillis v. Household Fin. Corp. III*, No. GJH-18-3923, 2019 WL 3412621 (D. Md. July 29, 2019)

- 8 • Successfully defended motion to dismiss in mortgage servicing abuse case

9 *Banks v. Rushmore Loan Services*, Montgomery Cir. Ct., Maryland Civ No. 444995-V

- 10 • Successfully defended motion to dismiss in mortgage servicing abuse case and obtained summary judgment as to liability against mortgage servicer.

11 *Andrews & Lawrence Pro. Servs., LLC v. Mills*, 467 Md. 126, 223 A.3d 947 (2020)

- 12 • Counsel for *Amici Curiae* in precedent case establishing the Maryland Consumer Protection Act applies to debt collection attorneys.

13 *Harris v. Nationstar Mortg. LLC*, No. CV CCB-19-3251, 2020 WL 4698062 (D. Md. Aug. 13, 2020)

- 14 • Successfully survived motion to dismiss federal and state law claims in a mortgage servicing abuse case where the mortgage servicer imposed fees and charges not owed as a matter of law and also failed to conduct any reasonable investigation.

15 *Wheeling v. Selene Fin. LP*, 473 Md. 356, 250 A.3d 197 (2021)

- 16 • Successfully appealed and defended remedial statute passed to protect protected tenants and former owners in possession of their former properties from unlawful threats of eviction by mortgage servicer.

17 *Cain v. Midland Funding, LLC*, 475 Md. 4, 256 A.3d 765 (2021)

- 18 • Successfully appealed individual questions of unlawful debt collection challenging predatory debt collection practices.

19 *Newsom v. Brock & Scott, PLLC*, 253 Md. App. 181, 264 A.3d 283 (2021)

- 20 • Successful appeal against directed verdict at trial in favor of debt collection law firm, interpreting mortgage fraud statute, and state debt collection statute; holding affirmed state debt collection statute governs foreclosure activities in contrast with FDCPA.

1 *Simmons v. Maryland Mgmt. Co.*, 253 Md. App. 655, 269 A.3d 369, 664, cert. denied, 276 A.3d
2 615 (Md. 2022)

- 3 • Successful appeal of debt collection claims against collectors and their clients based on
4 time barred debts.

5 *Lyons v. PNC Bank, Nat'l Ass'n*, 26 F.4th 180 (4th Cir. 2022)

- 6 • Successful appeal defending Dodd-Frank's ban on arbitration.

7 *Morgan v. Caliber Home Loans, Inc.*, 26 F.4th 643 (4th Cir. 2022)

- 8 • Successful appeal on the scope of the Real Estate Settlement Procedures Act after Dodd-
9 Frank related to the Second Circuit's decision in *Naimoli v. Ocwen Loan Servicing*,
10 LLC, 22 F.4th 376 (2d Cir. 2022)

11 *Brown v. Transworld Sys., Inc.*, 73 F.4th 1030 (9th Cir. July 14, 2023)

- 12 • Successful appeal reversing the dismissal of FDCPA claims based upon the statute of
13 limitations for unfair litigation conduct that occurred less than one year before the
14 commencement of the action.
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Exhibit B:

PHILLIP ROBINSON

CONFERENCE PRESENTATIONS & SPEAKING ENGAGEMENTS

2023

- Consumer Rights Litigation Conference in Chicago, IL
Title: Advances RESPA Litigation Issues
Title: Homeownership Roundtable: Zombie Seconds
- Mortgage Training Conference in Philadelphia, PA
Title: Mortgage Servicing Litigation Post-Covid
- National Association of Consumer Advocates and National Consumer Law Center
Spring Training in New Orleans, LA
Title: eDiscovery and How Debt Collectors Manage Their Data: How to get the
discovery you need from electronically stored information.

2022

- Consumer Rights Litigation Conference in Seattle, WA
Title: Fighting Court Secrecy in Civil Litigation
- Preventing Home Foreclosures in Oregon in Portland, OR
Sponsor: Oregon State Bar
- Mortgage Training Conference in St. Louis, MO
Title: Litigation: RESPA Updates
- Defending Zombie Second Liens in Baltimore, MD
Sponsor: Pro Bono Resource Center of Maryland

2021

- Make the Right Mortgage Decision for You (virtual)
Sponsor: Montgomery County Office of Consumer Protection
- Mortgage Training Conference (virtual)

Title: Litigation: Taking the Deposition of the QWR Rep

- Dealing with Mortgages and COCs During COVID-19 (virtual)

Sponsor: City of Takoma Park & Civil Justice Inc.

- Consumer Rights Litigation Conference (virtual)

Title: Using Violations of Mortgage Servicing Rules without Private Rights of Action as Predicates for FDCPA and UDAP Claims

- Understanding the Maryland Homeowner Assistance Fund, Moderator (virtual)

Sponsor: Montgomery County Office of Consumer Protection

2019

- Consumer Rights Litigation Conference in Boston, MA

Newcomers Breakfast Host

2018

- Practicing Law Institute in San Francisco, CA

Title: Representing the Pro Bono Client: Consumer Law Basics 2018

- NAACP, Prince George's County Chapter

Title: Foreclosure Defense Workshops

- Consumer Rights Litigation Conference in Denver, CO

Title: FDCPA Claims and Mortgage Foreclosures

2017

- Fair Debt Collections Conference in New Orleans, LA

Title: FDCPA Claims Related to Mortgage Servicing

- Mortgage Training Conference in Philadelphia, PA

Title: Dealing with Distressed Mortgage Purchasers

- Consumer Rights Litigation Conference in Washington, DC

Title: Discovery Issues in Mortgage Servicing and Foreclosure Litigation

2016

- Mortgage Training Conference in Boston, MA

Title: Litigating Mortgage Cases Parts 1, 2, and 3

- Consumer Rights Litigation Conference in Anaheim, CA
Title: Litigating Servicing Cases: Preparing and Presenting Mortgage
Misconduct at Trial

2015

- Mortgage Training Conference in Washington, DC
Title: Discovery: Getting the Information You Need
- Maryland State Bar Association Solo Day
Title: Doing Well by Doing Good: How to Spot a Good Consumer Case

2011

- Judicial Institute of Maryland
Title: Consumer Protection Law
- Homeowner Retention Workshop
Sponsor: Maryland Department of Housing & Community Development

2010

- Maryland Department of Housing and Community Development and Civil Justice Inc.
Title: New Foreclosure Prevention 101-A Beginner's Guide

2009

- Consumer Rights Litigation Conference in Philadelphia, PA
Title: Foreclosure Consultant and Loan Modification Scams
- Homeowner Retention Workshop
Sponsor: Congresswoman: Donna Edwards
- Homeowner Retention Workshop
Sponsor: Congressmen: Steny Hoyer

2008

- Maryland Cash Campaign
Title: Money Power Day
- Homeowner Retention Workshop

Sponsor: Congressman Elijah Cummings

- Consumer Rights Litigation Conference in Portland, OR

Title: Foreclosure

- Maryland Institute for Continuing Professional Education of Lawyers, Inc.

Title: Advanced Real Property Institute

BILLING CODE: 480-AM-P

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1006

Debt Collection Practices (Regulation F); Pay-to-Pay Fees

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Advisory opinion.

SUMMARY: Section 808(1) of the Fair Debt Collection Practices Act (FDCPA or Act) prohibits debt collectors from collecting “any amount (including any interest, fee, charge, or expense incidental to the principal obligation) unless such amount is expressly authorized by the agreement creating the debt or permitted by law.” The Consumer Financial Protection Bureau (CFPB) issues this advisory opinion to affirm that this provision prohibits debt collectors from collecting pay-to-pay or “convenience” fees, such as fees imposed for making a payment online or by phone, when those fees are not expressly authorized by the agreement creating the debt or expressly authorized by law. This advisory opinion also clarifies that a debt collector may also violate section 808(1) when the debt collector collects pay-to-pay fees through a third-party payment processor.

DATES: This advisory opinion is effective on [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Sonya Pass, Senior Legal Counsel and Chief of Staff, Legal Division, (202) 435-7700. If you require this document in an alternative electronic format, please contact CFPB_Accessibility@cfpb.gov.

SUPPLEMENTARY INFORMATION:**I. Advisory Opinion***A. Background*

Congress enacted the FDCPA in 1977 to “eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.”¹ The statute was a response to “abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors,” which Congress attributed to the “inadequacy” of “existing laws and procedures,” including State laws.² To remedy this, the FDCPA imposes various requirements and restrictions on debt collectors’ debt collection activity. Relevant here is section 808, which provides that a “debt collector may not use unfair or unconscionable means to collect or attempt to collect any debt.”³ Section 808 then states that “[w]ithout limiting the general application of the foregoing, the following conduct is a violation of this section” and enumerates eight specifically prohibited practices, including the “collection of any amount (including any interest, fee, charge, or expense incidental to the principal obligation) unless such amount is expressly authorized by the agreement creating the debt or permitted by law.”⁴

At the time of the FDCPA’s enactment, the Federal Trade Commission (FTC) was the agency that administered, and had primary responsibility for enforcing, the FDCPA.⁵ Then, in 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act, which

¹ Pub. L. No. 95-109, sec. 802(e), 91 Stat. 874, 874 (codified at 15 U.S.C. 1692(e)).

² 15 U.S.C. 1692(a), (b). *See also* S. Rep. No. 95-382, at 2 (1977) (stating that “debt collection abuse by third party debt collectors [was] a widespread and serious national problem,” which Congress largely attributed to a “lack of meaningful legislation on the State level”).

³ 15 U.S.C. 1692f.

⁴ 15 U.S.C. 1692f(1).

⁵ *See* 15 U.S.C. 1692l(a) (2010).

created the CFPB and granted it authority to administer, implement, and enforce the FDCPA.⁶ Congress also provided the CFPB authority to prescribe rules under the FDCPA.⁷ Pursuant to that authority, in 2020, the CFPB issued Regulation F, which implements the FDCPA, to prescribe rules governing the activities of debt collectors.⁸ The CFPB implemented FDCPA section 808(1) at 12 CFR 1006.22(b) by “generally mirror[ing] the statute, with minor wording and organizational changes for clarity.”⁹ In particular, the CFPB stated that the “term ‘any amount’ includes any interest, fee, charge, or expense incidental to the principal obligation.”¹⁰

In 2013, the CFPB launched its supervisory program over certain larger participants in the consumer debt collection market. Through these examinations, the CFPB ascertains compliance with the FDCPA, and now Regulation F, as well as other Federal consumer financial laws. The CFPB also periodically publishes *Supervisory Highlights* with anonymized findings and analysis from these supervisory examinations, as well as compliance bulletins to provide entities with guidance on complying with certain legal requirements.

For example, in 2017, the CFPB issued a compliance bulletin (Bulletin) that “provides guidance to debt collectors about compliance with the [FDCPA] when assessing phone pay fees,” a type of pay-to-pay fee.¹¹ The Bulletin summarizes CFPB staff’s conclusion that, under section 808(1), debt collectors may collect such pay-to-pay fees only if the underlying contract or state law expressly authorizes those fees.¹² In particular, the Bulletin states that in at least one supervisory exam, CFPB examiners found that a debt collector “violated [section 808(1)] when

⁶ Pub. L. No. 111-203, sec. 1089, 124 Stat. 1376, 2093 (codified at 15 U.S.C. 1692f(b)(6)).

⁷ 15 U.S.C. 1691f(d).

⁸ See Debt Collection Practices (Regulation F), 85 FR 76734 (Nov. 30, 2020); Debt Collection Practices (Regulation F), 86 FR 5766 (Jan. 19, 2021).

⁹ 85 FR 76734, 76833.

¹⁰ *Id.* at 76833, 76892.

¹¹ CFPB Compliance Bulletin 2017-01, 82 FR 35936, 35936 (Aug. 2, 2017).

¹² *Id.* at 35938.

they charged fees for taking mortgage payments over the phone” where the underlying contracts creating the debt did not expressly authorize collecting such fees and where the relevant State law did not “expressly permit collecting such fees.”¹³

B. Coverage

This advisory opinion applies to debt collectors as defined in section 803(6) of the FDCPA and implemented in Regulation F, 12 CFR 1006.2(i). As used in this advisory opinion, pay-to-pay fees—sometimes called convenience fees—refers to fees incurred by consumers to make debt collection payments through a particular channel, such as over the telephone or online.

C. Legal Analysis

1. Any Amount

Section 808(1) of the FDCPA prohibits debt collectors, in relevant part, from “collect[ing] . . . any amount (*including* any interest, fee, charge, or expense incidental to the principal obligation).”¹⁴ As the Supreme Court has explained, the “word ‘any’ has an expansive meaning, that is, ‘one or some indiscriminately of whatever kind.’”¹⁵ In addition, under its ordinary meaning, the term “including” typically indicates a partial list.¹⁶ The CFPB interprets

¹³ *Id.* (explaining that the CFPB examiners had instructed the company to collect pay-by-phone fees only “where expressly authorized by contract or state law”); *see also* CFPB: Fall 2014 Supervisory Highlights, at 7, *available at* https://files.consumerfinance.gov/f/201410_cfpb_supervisory-highlights_fall-2014.pdf (similar); CFPB: Fall 2015 Supervisory Highlights, at 20-21, *available at* https://files.consumerfinance.gov/f/201510_cfpb_supervisory-highlights.pdf (similar).

¹⁴ 15 U.S.C. 1692f(1) (emphasis added). *See also* 12 CFR 1006.22(b).

¹⁵ *Ali v. Fed. Bur. of Prisons*, 552 U.S. 214, 219 (2008) (quoting *United States v. Gonzales*, 520 U.S. 1, 5 (1997), in turn quoting Webster’s Third New International Dictionary 97 (1976)).

¹⁶ *Include*, Black’s Law Dictionary (11th ed. 2019). Additionally, as the Supreme Court has stated, “including” is “not [a term] of all-embracing definition, but connotes simply an illustrative application of the general principle.” *Fed. Land Bank of St. Paul v. Bismarck Lumber Co.*, 314 U.S. 95, 100 (1941); *see also Arizona State Bd. For Charter Schools v. Dep’t of Educ.*, 464 F.3d 1003, 1007 (9th Cir. 2006) (“[T]he word ‘including’ is ordinarily defined as a term of illustration, signifying that what follows is an example of the preceding principle.”); *United States v. Hawley*, 919 F.3d 252, 256 (4th Cir. 2019) (explaining that “including” “is an introductory term for an incomplete list of examples”).

the words “any” and “including” as used in section 808(1) consistent with their ordinary meanings. Accordingly, the CFPB clarifies that FDCPA section 808(1) and Regulation F, 12 CFR 1006.22(b), apply to any amount collected by a debt collector in connection with the collection of a debt,¹⁷ including, *but not limited to*, any interest, fee, charge, or expense that is incidental to the principal obligation.

Consistent with this interpretation, the CFPB further clarifies that pay-to-pay fees charged to consumers for accepting a consumer’s payment on a debt through a particular payment channel are an “amount” within the meaning of FDCPA section 808(1) and Regulation F, 12 CFR 1006.22(b). The CFPB acknowledges that some courts have held otherwise, finding that pay-to-pay fees do not violate FDCPA section 808(1) because such fees are not “incidental to the principal obligation.”¹⁸ But, as explained, the CFPB interprets section 808(1) to apply to “any amount,” even if such amount is not “incidental to” the principal obligation.¹⁹

2. *Permitted by Law*

Section 808(1) of the FDCPA prohibits, in relevant part, the collection of any amount “unless such amount is expressly authorized by the agreement creating the debt or *permitted by*

¹⁷ The CFPB notes that, if a debt collector is engaged in a truly separate transaction and is not collecting or attempting to collect a debt covered by the FDCPA, section 808(1) does not apply.

¹⁸ *See, e.g., Flores v. Collection Consultants of Cal.*, No. SA CV 14-0771-DOC, 2015 WL 4254032, at 10 (C.D. Cal. Mar. 20, 2015); *Shula v. Lawent*, 359 F.3d 489, 492-93 (7th Cir. 2004). In *Shula*, it does not appear that that court was presented with the question whether “any amount” included more than “fees . . . incidental to the principal obligation”; nor did that court analyze the issue. For the reasons stated above, the CFPB disagrees with that decision to the extent it suggested that section 808(1) applies only to amounts that are incidental to the principal obligation.

¹⁹ Section 808(1) of the FDCPA and Regulation F, 12 CFR 1006.22(b), also covers pay-to-pay fees for the separate reason that such fees are “incidental to” the principal obligation. While the FDCPA does not define “incidental,” it is ordinarily understood as “related to,” *see* Collins English Dictionary (12th ed. 2014), or “[s]ubordinate to something of greater importance,” *see* Black’s Law Dictionary (11th ed. 2019). Pay-to-pay fees meet these definitions: They are “related to” the principal obligation because they are fees charged for paying the principal obligation. Indeed, if the principal obligation did not exist, then neither would the pay-to-pay fee. These fees are also generally minor in comparison to the outstanding debt and are therefore “subordinate to” the principal obligation.

law.”²⁰ The word “permit” is susceptible to multiple meanings, but it tends to refer to “affirmative authorization,” and the CFPB reads section 808(1) to use the word in that sense. Dictionaries provide that “permit” can mean either “to consent to expressly or formally,” suggesting affirmative authorization, or to “allow” or “to acquiesce, by failure to prevent,” suggesting that the lack of a prohibition is sufficient.²¹ However, “allow and permit have an important connotative difference. Allow . . . suggests merely the absence of opposition, or refraining from a proscription. In contrast, permit suggests affirmative sanction or approval.”²² Use of the word “permit,” rather than “allow,” therefore suggests that affirmative authorization, rather than a mere lack of a prohibition, is required. Furthermore, as the Supreme Court has instructed, “words of a statute must be read in their context,”²³ and here, “permit” is used not in isolation but as part of the phrase “permitted by law.” While in some contexts one may “permit” something by failing to prevent it, it is far less natural to understand “permitted by law” to mean “permitted by the absence of any law prohibiting it.”

The CFPB therefore interprets FDCPA section 808(1) to prohibit a debt collector from collecting any amount unless such amount either is expressly authorized by the agreement creating the debt (and is not prohibited by law) or is expressly permitted by law. That is, the CFPB interprets FDCPA section 808(1) to permit collection of an amount only if: (1) the agreement creating the debt expressly permits the charge and some law does not prohibit it; or (2) some law expressly permits the charge, even if the agreement creating the debt is silent. The

²⁰ 15 U.S.C. 1692f(1) (emphasis added). *See also* 12 CFR 1006.22(b).

²¹ *Permit*, Webster’s Third New International Dictionary 1683 (1976); *see also Permit*, Black’s Law Dictionary (5th ed. 1979) (defining “permit” as “[t]o suffer, allow, consent, let; to give leave or license; to acquiesce, by failure to prevent, or to expressly assent or agree to the doing of an act”).

²² Garner’s Dictionary of Legal Usage 46 (3d ed. 2011); *see also Alexander v. Carrington Mortgage Services*, 23 F.4th 370, 377 (4th Cir. 2022) (holding “permitted by law” requires affirmative authorization).

²³ *King v. Burwell*, 576 U.S. 473, 492 (2015).

CFPB’s interpretation of the phrase “permitted by law” applies to any “amount” covered under section 808(1), including pay-to-pay fees.²⁴

Under the CFPB’s interpretation, an amount is impermissible if both the agreement creating the debt and other law are silent. For example, under the CFPB’s interpretation, amounts, including pay-to-pay fees, that are neither expressly authorized by the agreement creating the debt nor expressly authorized by law are impermissible under FDCPA section 808(1) and Regulation F, 12 CFR 1006.22(b), even if such amounts are the subject of a separate, valid agreement under State contract law.²⁵ Although some courts have adopted this “separate agreement” interpretation to permit debt collectors to collect, for example, certain pay-to-pay fees, the CFPB declines to do so. Such a reading would render the part of section 808(1) that refers to amounts “expressly authorized by the agreement creating the debt” superfluous²⁶ because a lawful agreement creating the debt is, by definition, an agreement valid under State contract law.²⁷ In addition, the separate agreement interpretation ignores section 808(1)’s focus on the “amount” being “expressly authorized by the agreement creating the debt” or “permitted

²⁴ Note that, even if pay-to-pay fees are expressly authorized in the underlying agreement or permitted by State law, debt collectors must still take care to comply with other laws, including other provisions of the FDCPA and the Consumer Financial Protection Act’s prohibition on unfair, deceptive, or abusive acts or practices, when assessing pay-to-pay fees.

²⁵ The CFPB acknowledges that some district courts have held otherwise. *See, e.g., Thomas-Lawson v. Carrington Mortg. Servs., LLC*, No. 2:20-cv-07301-ODW, 2021 WL 1253578 (C.D. Cal. Apr. 5, 2021), *appeal pending*, No. 21-55459 (9th Cir.).

²⁶ *See Obduskey v. McCarthy & Holthus LLP*, 139 S. Ct. 1029, 1037 (2019) (refusing to interpret the FDCPA in a way that would render a provision “superfluous”).

²⁷ *Accord Alexander*, 23 F.4th at 379 (rejecting the separate agreement interpretation in part because it would render section 808(1)’s other prong superfluous). The separate agreement interpretation also would conflict with the FDCPA’s use of the phrase “expressly authorized,” since general principles of State contract law allow parties to agree to express or implied terms as part of any agreement. *See* Restatement (Second) of Contracts § 4 cmt. a (1981). If general principles of contract law counted as a “law” that “permitted” the collection of amounts, debt collectors would be free to collect not only those amounts authorized by separate agreements, but also to collect amounts that are only implicitly authorized by the agreement creating the debt—further rendering section 808(1)’s “express” requirement meaningless.

by law.”²⁸ Under section 808(1), it is not enough for the agreement to be “permitted by law”; rather, the “amount” itself must be. Contract law standing alone does not provide for the collection of any specific amounts—and no principle of contract law says debt collectors may collect pay-to-pay fees.²⁹ Thus, while it may have been permissible under contract law for a debt collector to enter into separate agreements with consumers, contract law does not permit the “amount” at issue, i.e., the pay-to-pay fees.

The CFPB’s interpretation of “permitted by law” in FDCPA section 808(1) is consistent with the previous interpretation in a CFPB compliance bulletin as discussed in part I.A., as well as with the prior interpretation of FTC staff and the holdings of the majority of courts to address the issue.³⁰ In particular, in 1988, FTC staff issued Commentary that set forth “staff interpretations” of the FDCPA.³¹ As relevant here, FTC staff stated that, under section 808(1), a “debt collector may attempt to collect a fee or charge in addition to the debt if . . . the contract [creating the debt] is silent but the charge is otherwise expressly permitted by state law.”³² Conversely, FTC staff stated that “a debt collector may not collect an additional amount if . . . the contract does not provide for collection of the amount and state law is silent.”³³

²⁸ See *Johnson v. Riddle*, 305 F.3d 1107, 1118 (10th Cir. 2002) (“The statute does not ask whether [the debt collector’s] actions were permitted by law . . . , it asks whether the *amount* he sought to collect was permitted by law.” (emphasis in original)).

²⁹ While a *contract* might, consistent with contract law, permit an amount, section 808(1) only permits collecting amounts authorized *by contract* when the amount is expressly authorized by the contract “creating the debt.”

³⁰ See, e.g., *Alexander*, 23 F.4th at 376-77 (holding, in a case regarding pay-to-pay fees, that “‘permitted by law’ requires a firmative sanction or approval”); *Seeger v. AFNI, Inc.*, 548 F.3d 1107, 1111, 1112 (7th Cir. 2008) (finding that, to be entitled to collect a fee, debt collectors “must show that the fee is either authorized by the governing contract or that it is permitted by Wisconsin law” and that, in that case, that neither an agreement nor a law expressly permitting a collection fee existed); *Tuttle v. Equifax Check*, 190 F.3d 9, 13 (2d Cir. 1999) (explaining that if “state law neither affirmatively permits nor expressly prohibits service charges, a service charge can be imposed only if the customer expressly agrees to it in the [underlying] contract”).

³¹ See Staff Commentary on the Fair Debt Collection Practices Act, 53 FR 50097, 50101 (Dec. 13, 1988).

³² *Id.* at 50108.

³³ *Id.*

The CFPB’s interpretation is also consistent with the FDCPA’s statutory purposes. As noted in part I.A, Congress passed the FDCPA because it found that existing laws and procedures, including at the state level, were inadequate to protect consumers. Given this concern, it would be particularly unnatural to understand “permitted by law” to mean “permitted because no law prohibits it.” Accordingly, the CFPB interprets FDCPA section 808(1) and Regulation F, 12 CFR 1006.22(b), to prohibit debt collectors from collecting any amount, including any pay-to-pay fee, not expressly authorized in the agreement creating the debt unless there is some law that affirmatively authorizes the collection of that amount.

3. Payment Processors

Debt collectors may violate FDCPA section 808(1) and Regulation F, 12 CFR 1006.22(b), when using payment processors who charge consumers pay-to-pay fees. For instance, a debt collector collects an amount under section 808(1) at a minimum when a third-party payment processor collects a pay-to-pay fee from a consumer and remits to the debt collector any amount in connection with that fee, whether in installments or in a lump sum.³⁴

II. Regulatory Matters

This is an advisory opinion issued under the CFPB’s authority to interpret the FDCPA, including under section 1022(b)(1) of the Consumer Financial Protection Act, which authorizes guidance as may be necessary or appropriate to enable the CFPB to administer and carry out the purposes and objectives of Federal consumer financial laws, such as the FDCPA.³⁵

An advisory opinion is a type of interpretive rule. As an interpretive rule, this advisory opinion is exempt from the notice-and-comment rulemaking requirements of the Administrative

³⁴ See, e.g., Ballentine’s Law Dictionary (3d ed. 2010) (defining “collect” as “to receive payment”); cf. 15 U.S.C. 1692a(6) (defining debt collector to include persons who “directly or indirectly” collect debts).

³⁵ 12 U.S.C. 5512(b)(1); 5481(14); 5481(12)(H).

Procedure Act.³⁶ Because no notice of proposed rulemaking is required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis.³⁷ The CFPB has also determined that this advisory opinion does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring approval by the Office of Management and Budget under the Paperwork Reduction Act.³⁸

Pursuant to the Congressional Review Act,³⁹ the CFPB will submit a report containing this advisory opinion and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the United States prior to the opinion's published effective date. The Office of Information and Regulatory Affairs has designated this advisory opinion as not a "major rule" as defined by 5 U.S.C. 804(2).

/s/ Rohit Chopra

Rohit Chopra,

Director, Consumer Financial Protection Bureau.

³⁶ 5 U.S.C. 553(b).

³⁷ 5 U.S.C. 603(a), 604(a).

³⁸ 44 U.S.C. 3501-3521.

³⁹ 5 U.S.C. 801 *et seq.*



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10 Biggest Cash-Out Refinance Lenders Helping Homeowners Tap Record Home Equity

by Jonathan Davis in Home Loans

MAY 13, 2024, 4:50 PM UTC ⌚ 9 MIN



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A cash-out refinance can convert your home equity to cash. And it could be a fantastic time to do just that. ICE Mortgage Technology estimates that homeowners with mortgages are sitting on an average of \$206,000 in tappable equity. That could translate to a college education, a home addition, accessory dwelling unit construction, or another financial goal.

But who are the best cash-out lenders? Not all providers are the same – some are more likely to offer great rates, a painless application process, and top-notch customer service.

In some mortgage shoppers' books, bigger is better. That's why we've compiled a list of the ten biggest cash-out refinance lenders by the number of loans originated in 2023.

[Check your cash-out eligibility with a lender. Start here.](#)

Biggest Cash-Out Refinance Lenders

The ten biggest cash-out refinance lenders for owner-occupied homes accounted for nearly 47% of all cash-out refinances last year. These mortgage companies may not provide the lowest quotes in every situation, but they've certainly established themselves as the largest cash-out refinance lenders for a reason.

Rank	Lender	Cash-Out Refinances in 2023	Market Share
1	Rocket Mortgage	130,547	22.34%
2	United Wholesale Mortgage	35,992	6.16%

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3	Nationstar Mortgage	22,006	3.77%
4	PennyMac	17,219	2.95%
5	LoanDepot	17,074	2.92%
6	Freedom Mortgage	12,952	2.22%
7	Flagstar Bank	10,103	1.73%
8	Newrez	9,244	1.58%
9	AmeriSave	9,123	1.56%
10	Huntington National Bank	8,940	1.53%

Home Mortgage Disclosure Act (HMDA) data from the Consumer Finance Protection Bureau (CFPB), accessed via PolygonResearch.com HMDAVision, May 13, 2024.

1. Rocket Mortgage

Rocket Mortgage is the nation's biggest cash-out refinance lender, leading the pack by a considerable margin. Their 2023 originations accounted for a whopping 22% of the total cash-out refinance market, with over three-and-a-half times more loans issued than the second-largest lender.

Their secret? It may be the company's position at the forefront of mortgage tech. Their

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of proprietary data to streamline the cash-out refinance process; the system has reportedly helped Rocket Mortgage reduce closing times by 25% since 2022.

2. United Wholesale Mortgage

Ranking second with about 6% of all cash-out refinances, United Wholesale Mortgage (UWM) is a major wholesale lender with a nationwide network of independent mortgage brokers. Unlike most other lenders on our list, they don't deal directly with consumers.

While UWM may be second in the number of cash-out refinances, with 35,992, the company ranked first in total mortgages originated. According to their website, United Wholesale Mortgage offers conventional cash-out refinances with a credit score as low as 620 through their mortgage broker partners.

Mortgage Rates for July 16, 2024

Home Purchase in 21842

\$400,000 with 20% Down Payment. 740-759 Credit Score

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3. Nationstar Mortgage

Nationstar Mortgage ranked third in 2023 with a total of 22,006 cash-out refinances originated. While the company primarily operates under the relatively new Mr. Cooper brand name, Nationstar has been in the mortgage market for over 25 years. Over that time, they've served more than 4.1 million homeowners, according to their website.

Cash-out refinances were Nationstar Mortgage's primary focus in 2023, comprising nearly 78% of their total (28,244) issued loans.

4. PennvMac

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Since its founding in 2008, PennyMac boasts having worked with more than one million homeowners. When it comes to cash-out refinances, the company comes in fourth, with 2.95% of the market last year.

PennyMac was ranked 20th in total mortgage originations in 2023; however, they saw the fifth-largest year-over-year decline on that list. This was especially true for their "rate and term" no-cash refis, which dropped 79% from 2022.

[Find your cash-out refinance lender here.](#)

5. LoanDepot

LoanDepot is a direct lender that, according to its website, has funded more than \$275 billion in mortgages since 2010. In 2023, it was the fifth largest cash-out provider, originating 17,074 loans.

LoanDepot has implemented its proprietary platform, "mello," which simplifies the cash-out refinance process by directly verifying employment, income, and assets. The company boasts that mello lets borrowers close their mortgages in as few as eight days.

In addition to 5th place for cash-out refinances, LoanDepot ranked 10th biggest mortgage originator and 8th biggest FHA lender for 2023.

6. Freedom Mortgage

Freedom Mortgage works directly with consumers, as well as through a nationwide network of affiliated mortgage brokers. Since its inception in 1990, Freedom Mortgage claims to have helped more than 1.9 million borrowers.

On their website, Freedom Mortgage advertises VA and FHA cash-out refinances for homeowners with credit scores as low as 550. Conventional cash-outs are available for

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Check Today's Conventional Loan Rates

7. Flagstar Bank

Their website portrays Flagstar Bank as a regional financial institution with 419 locations (as of Q1 2024) across nine states. While you can apply for a cash-out refinance with Flagstar online or in your local branch, the company also works with a team of over 3,000 third-party loan-originating brokers.

One unique aspect of Flagstar Bank's home loan program is that they advertise mortgages with a term of up to 40 years.

8. Newrez

Founded in 2008 as New Penn Financial, Newrez offers cash-out refinances nationwide through a network of third-party brokers. It also attracts borrowers through its retail locations and website as a direct-to-consumer lender. In 2023, Newrez closed a total of 9,244 cash-outs across all channels.

Newrez has grown in recent years through industry acquisitions like Caliber Home Loans and Computershare Mortgage Services. Earlier this year, Newrez announced its AI initiative, partnered with Microsoft's Azure OpenAI Service, aimed at delivering the "best-in-class mortgage and homeownership experience."

9. AmeriSave

Atlanta-based AmeriSave has financed nearly 750,000 mortgages, totaling \$130 billion in home loans, since its founding in 2002, according to the company's website.

AmeriSave offers loans in every state except New York and boasts an average closing time of 31 days on cash-out refinances. Conventional cash-out refinances are advertised

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for credit scores of 620 and above, while FHA and VA cash-out refinances only require a score of 600.

10. Huntington National Bank

Huntington National Bank has retail locations across 11 states, with the most robust presence throughout the Midwest. According to their website, Huntington has over 1,000 local branches and a reported \$194 billion in total assets.

In addition to rounding out the top 10 biggest cash-out refinance lenders, Huntington National Bank ranked 16th for total mortgages originated in 2023.

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Why Use a Cash-Out Refinance?

A cash-out refinance allows you to replace your existing mortgage with a larger one and

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The most common reason borrowers opt for a cash-out refinance is to fund home repairs or improvements, but you can also use your built-up equity to:

- Consolidate high-interest credit cards
- Purchase a second home or investment property
- Pay off an auto loan
- Wrap in a second loan or HELOC balance
- Eliminate student loan debt (you may even qualify for lower rates)

Cash-Out Refinance Programs

Most large lenders offer an assortment of cash-out refinance programs designed to fit different types of homeowners. The three most common that you'll encounter are:

Conventional Cash-Out Refinances

Conventional cash-out refinances follow the guidelines established by Fannie Mae and Freddie Mac. Borrowers will need a credit score of at least 620 to qualify. However, the cost for homeowners on the lower end of the credit spectrum will likely be higher than with other cash-out refinance programs. Conventional cash-outs let you tap up to 80% of your home's equity.

[See if You Qualify for a 2024 Conventional Loan](#)

FHA Cash-Out Refinances

Designed for homeowners with less-than-perfect credit, FHA cash-out guidelines allow

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higher minimums. As with conventional loans, an FHA cash-out refinance lets you borrow up to 80% of your property's current appraised value. So if your home is worth more than just a few years ago, you may be eligible for a substantial amount of cash.

2024 FHA Loan Eligibility

VA Cash-Out Refinances

VA cash-out refinances are available to current and former U.S. military members with eligible service history. VA guidelines set no minimum credit score, although most lenders will have score requirements ranging from 580 to 620. With a VA cash-out refinance, you can withdraw up to 100% of your home's current value, although many lenders opt to cap loans at 90%.

Is Now a Good Time to Consider Cash-Out?

The best time to do a cash-out refinance is when you can simultaneously lower the interest rate on your loan. But most homeowners have interest rates much lower than what's available today.

However, if you need to access a large amount of funds, it may still be worth taking a higher rate on a cash-out refinance.

As mentioned, homeowners have access to over \$200,000 in home equity on average. It could be wise to use a fixed-rate cash-out refinance rather than an adjustable HELOC.

Rates are down from their 2023 peaks. If you've purchased your home since mid-2022, you may be able to qualify for a cash-out refinance at a rate comparable to or lower than what you currently have. This is especially true for homeowners who have since significantly improved their credit score or built considerable equity in their property.

Find the Best Cash-Out Refinance Lender

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We've covered the ten biggest cash-out refinance lenders by loan volume, but even though they account for almost 47% of all cash-out refis, there are plenty of other great mortgage providers out there. The best cash-out refinance lender for you may even be a lower-volume originator.

If you're ready to explore your cash-out options, check today's refi rates and apply for quotes from a few of the top cash-out refinance lenders.

See if you're eligible for a cash-out refinance.

Mortgage Rates for July 16, 2024

Home Purchase in 21842

\$400,000 with 20% Down Payment. 740-759 Credit Score

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About The Author:

Jonathan Davis is a Florida-based writer with over a decade of experience helping consumers understand complex mortgage, real estate, and personal finance topics. Jonathan has previously worked in the real estate industry and holds a bachelor's degree in finance from the University of Central Florida.

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In the Matter Of:

MICHAEL AND PATRICE PARKER

vs

GOLDMAN SACHS MORTGAGE

EDWARD HYNE

December 05, 2023

MICHAEL AND PATRICE PARKER vs GOLDMAN SACHS MORTGAGE
HYNE, EDWARD on 12/05/2023

1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE

3 DISTRICT OF MARYLAND

4

5 MICHAEL AND PATRICE PARKER,

6 Plaintiff,

7 v. Case No.

8 GOLDMAN SACHS MORTGAGE 8:20-CV-03581-ADC

9 COMPANY, LP, AND NEWREZ LLC

10 D/B/A SHELLPOINT MORTGAGE

11 Defendant.

12

13 AUDIOVISUAL DEPOSITION OF EDWARD HYNE

14 DATE: December 5, 2023

15 TIME: 10:39 Eastern Time

16 LOCATION: Zoom

17 REPORTED BY: Colleen Callahan, Remote Notary Public

18 JOB No.: 12986

19

20

21

22

23

24

25

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MICHAEL AND PATRICE PARKER vs GOLDMAN SACHS MORTGAGE
HYNE, EDWARD on 12/05/2023

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HYNE, EDWARD on 12/05/2023

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1 P R O C E E D I N G

2 THE REPORTER: Good morning. My name is

3 Colleen Callahan. I am the officer of this deposition

4 representing DepoDirect, Inc., 251 Little Falls Drive,

5 Wilmington, Delaware, and we are now on the record.

6 Today's date is December 5th, 2023, and the time is

7 10:39 a.m. Eastern.

8 This deposition is taking place remotely in

9 the matter of Michael and Patrice Parker versus

10 Goldman Sachs Mortgage Company, LP, and NewRez, LLC,

11 d/b/a Shellpoint Mortgage. The case number is 8:20-

12 cv-03581-ADC, and this is the audiovisual recorded

13 deposition of Edward Hyne, taken on behalf of the

14 plaintiff in the United States District Court for the

15 District of Maryland.

16 Absent any objection, all parties agree that

17 we may place this witness under oath and record this

18 proceeding remotely via audiovisual method.

19 At this time, will everyone appearing

20 remotely please identify yourself, starting with the

21 noticing.

22 MR. ROBINSON: Phillip Robinson, Consumer

23 Law Center, on behalf of the plaintiffs, Michael and

24 Patrice Parker.

25 MR. MINTON: This is Thomas Minton. I'm

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HYNE, EDWARD on 12/05/2023

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1 also here for the plaintiff. I'm going to be on mute.

2 MR. PUMPHREY: Brian E. Pumphrey,

3 MaguireWoods LLP, on behalf of the defendant,

4 Shellpoint.

5 MR. JORDAN: Nick Jordan, also with

6 MaguireWoods LLP, and also on behalf of the

7 defendants.

8 MR. YENOUSKAS: Joseph Yenouskas. I'm with

9 Goodwin Proctor in Washington, D.C., on behalf of

10 Third-party Nationstar and the witness, Mr. Edward

11 Hyne.

12 THE REPORTER: Okay. Mr. Hyne, could you

13 please raise your right hand?

14 WHEREUPON,

15 EDWARD HYNE,

16 called as a witness, and having been first duly sworn

17 to tell the truth, the whole truth and nothing but the

18 truth, was examined and testified as follows:

19 THE REPORTER: Okay. Please begin.

20 EXAMINATION

21 BY MR. ROBINSON:

22 Q Good morning, Mr. Hyne. As you heard

23 earlier, my name is Phillip Robinson. I represent the

24 plaintiffs. My understanding is you've been

25 designated by the non-party, Nationstar Mortgage, LLC,

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MICHAEL AND PATRICE PARKER vs GOLDMAN SACHS MORTGAGE
HYNE, EDWARD on 12/05/2023

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1 today, did you also review Nationstar's system of
2 record?
3 A Yes.
4 Q And what is the name of Nationstar's system
5 of record?
6 A It's called LSAMS, which is L-S-A-M-S.
7 Q And do you recall specifically what you
8 reviewed on LSAMS?
9 A The status of the account as it stands
10 today, the transaction history, the communication
11 history profile. I think that's about it.
12 Q And does Nationstar have a relationship with
13 the account today?
14 A No.
15 Q I'm sorry, Mr. Hyne, I didn't hear you.
16 A No.
17 Q And when you say "account," in your answer
18 there, did you mean the loan related to Mr. and Ms.
19 Parker --
20 A Yes.
21 Q -- the subject of this litigation?
22 A Yes.
23 Q All right. I'm going to scroll through what
24 I'll mark as -- I think I'm on 5.
25 MR. ROBINSON: Is that right, Madam Court

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1 Reporter?
2 THE REPORTER: Yes.
3 (Exhibit 5 was marked for identification.)
4 BY MR. ROBINSON:
5 Q Mr. Hyne, I'll scroll through Exhibit 5.
6 Did you review Exhibit 5 as part of your preparation
7 for today's deposition?
8 A Yes.
9 Q And can you identify that for me generally,
10 what your understanding of it is?
11 A It's a copy of the note for the residential
12 mortgage loan to the Parkers.
13 Q Okay. And I'll mark this Exhibit 6.
14 (Exhibit 6 was marked for identification.)
15 BY MR. ROBINSON:
16 Q Okay. And in preparation for the
17 deposition, did you review what I marked as Exhibit 6?
18 A Not this version. This looks like it's a
19 copy -- a certified copy pulled from the county of the
20 recorded Deed of Trust.
21 Q Okay. But you may have reviewed another
22 version of the Deed of Trust?
23 A Yes.
24 Q Okay. And was that version signed by Mr.
25 and Ms. Parker?

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1 A Yes.
2 Q Okay. And the Exhibit 5, the note, and
3 Exhibit 6, the Deed of Trust, would you agree with me
4 those are generally -- go together, and they're
5 referred to as the Parker Loan?
6 A Yes.
7 Q Was there a time that Nationstar had a
8 relationship with the Parker Loan memorialized by
9 Exhibits 5 and 6?
10 A Yes.
11 Q And could you describe for me what
12 Nationstar's role was with the Parker loan?
13 A We were the servicer of the loan from 2009
14 to 2019.
15 Q And what do you mean by servicer of the
16 loan?
17 A We were the entity that accepted and
18 processed mortgage payments, paid escrow items,
19 assisted the Parkers in the day-to-day operations of
20 their mortgage, especially in times of when they were
21 in default.
22 Q And did Nationstar own the loan at that
23 time, or did someone else own the loan?
24 A No, it was owned by another party. We don't
25 own our loans.

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1 Q Okay. And do you know who the party was
2 that owned the loan at the time Nationstar was the
3 servicer?
4 A I don't recall.
5 Q Okay. Let me see if I can help refresh your
6 memory a little.
7 MR. ROBINSON: I'm sorry, Madam Court
8 Reporter, what number am I on?
9 THE REPORTER: Number 7.
10 BY MR. ROBINSON:
11 Q Mr. Hyne, I'm showing you what I marked as
12 Exhibit 7. I'll scroll through it slowly.
13 (Exhibit 7 was marked for identification.)
14 BY MR. ROBINSON:
15 Q I'm also going to show you what I'll mark as
16 Exhibit 8.
17 (Exhibit 8 was marked for identification.)
18 MR. YENOUSKAS: Can you finish going back
19 through 7, though, Phil, first? I didn't really -- I
20 personally didn't get a chance to get a good look --
21 MR. ROBINSON: Sure.
22 MR. YENOUSKAS: -- at 7. Thank you.
23 MR. ROBINSON: Let me go ahead and mark --
24 MR. YENOUSKAS: Okay.
25 MR. ROBINSON: -- three of them, Joe, and

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1
2 CERTIFICATE OF NOTARY PUBLIC
3 I, Colleen Callahan, a Remote Online Notary
4 of the State of Massachusetts, duly authorized to
5 administer oaths, do hereby certify:
6 That I am a disinterested person herein;
7 that the witness, Edward Hyne named in the foregoing
8 deposition, was by me duly sworn to testify the truth,
9 the whole truth, and nothing but the truth; that the
10 deposition was reported by me, Colleen Callahan, and
11 is a true and correct record of the testimony so
12 given.
13 IN WITNESS WHEREOF, I hereby certify this
14 transcript at my office in the County of Middlesex,
15 State of Massachusetts, this 7th day of December,
16 2023.
17 
18
19 COLLEEN CALLAHAN
20 Remote Online Notary Public in and for the
21 State of Massachusetts
22
23
24
25

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